

# **DCMC**

## **FY 1997 Business Plan**

### **Monthly Management Review**

**April 10, 1997**

# Agenda

**District East** **0800 - 0845**

**District West** **0845 - 0930**

**HQ AQB** **0930 - 1000**

**(--- break ---)**

**HQ AQO** **1015 - 1045**

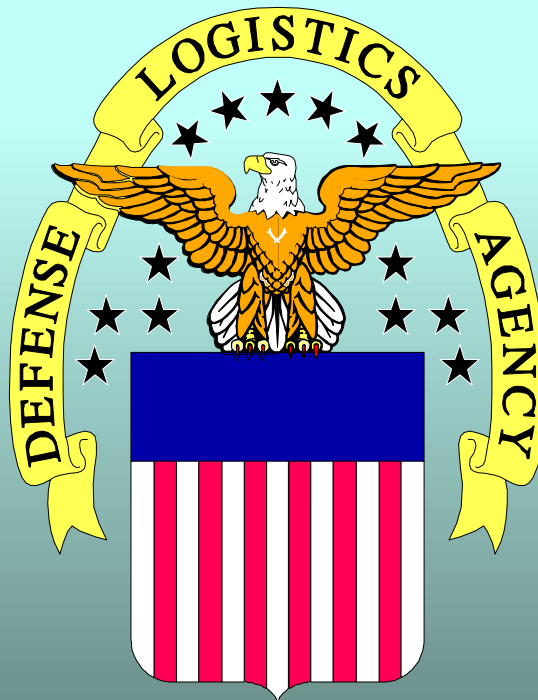
**HQ AQAC** **1045 - 1145**

**Commanders Assessment** **1145 - 1200**

# DCMC

## Monthly Management Review

# DCMDE





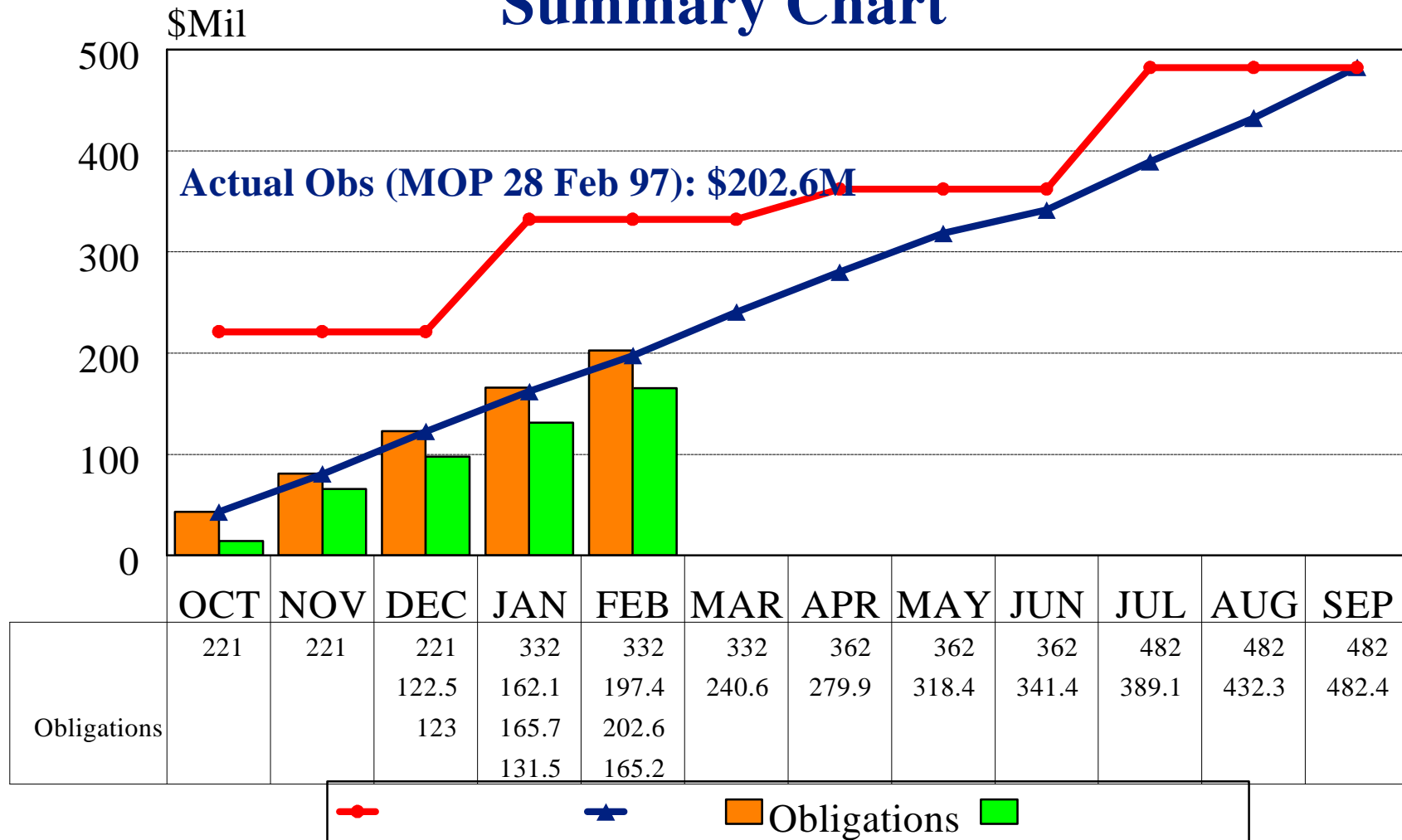
# Resource Management

Feb 97 data

DCMDE



## Summary Chart



Obligations/Plan: 102.6%

## Budget Execution A/O 28 Feb 97

### Summary Chart

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**Status: Red****Obligations/Plan = \$202.6/197.4= 102.6%**

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**Comments:**

- Within quarterly authorization of \$332M but over plan by \$5.2M
- Variance due to some accounts' bills submitted earlier than planned:

SLUC, ISA, Communications	\$3.800 M
Other non-labor obligations: Travel	.466
PCS	.453
Supplies	.375
Utilities	.082
TOTAL	\$5.176 M
- Already committed PCS \$1.5M more than budget
- Unfunded requirements for \$11.7M submitted to AQB 19 Mar 97
- Considerable unfunded requirements acknowledged by BPT/RUC



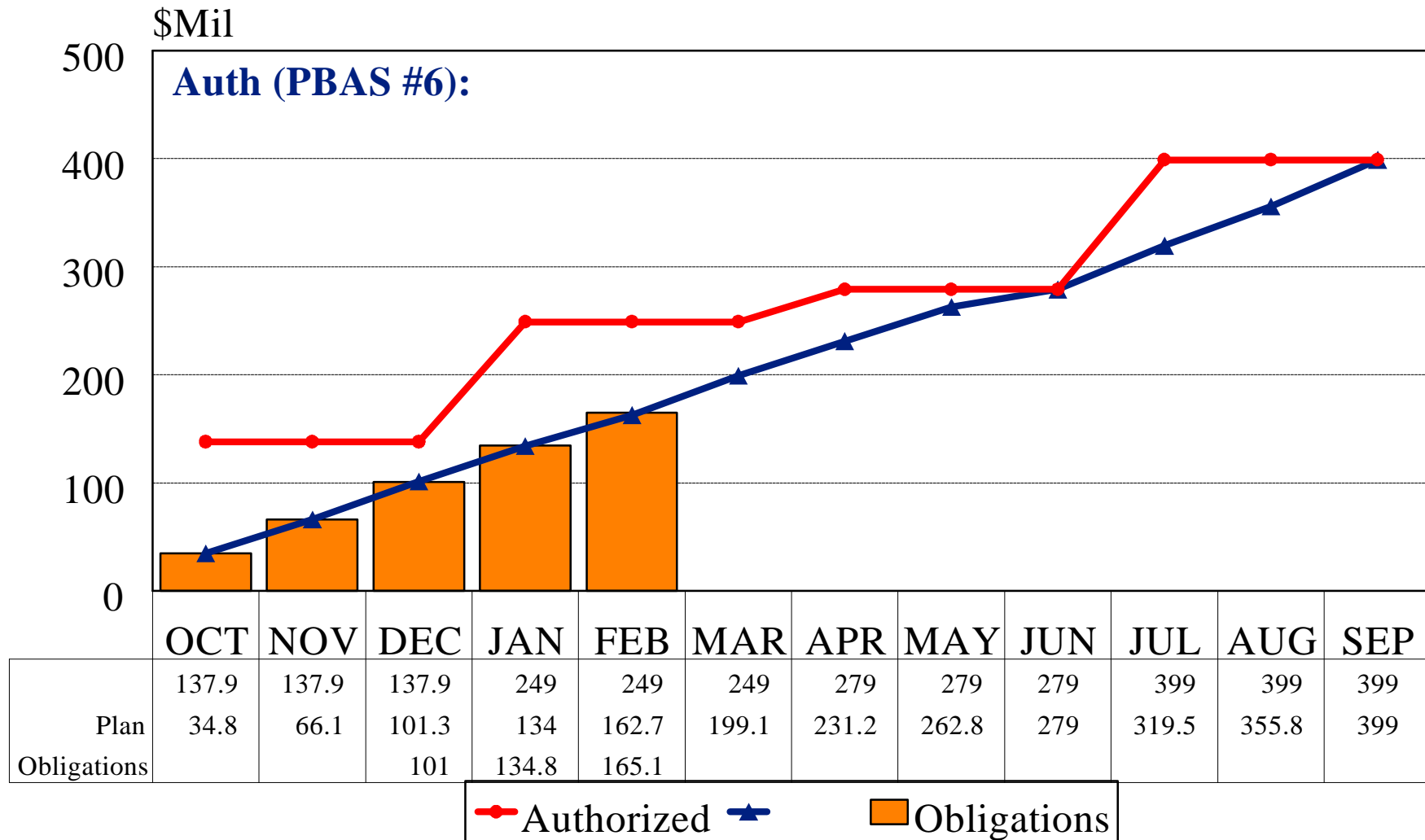
# Resource Management

Feb 97 data

DCMDE



# DCMDE





Status: Red



Obligations/Plan = \$165.1/162.7 = 101.5%

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Comments:

- o Within authorization of \$249M but over plan by \$2.4M
- o Variance due to obligations earlier than anticipated
  - oo SLUC; Communications bills; ISA bills
- o Already committed PCS \$1.5M more than FY97 budget
- o Unfunded requirements for \$11.7M submitted to AQB 19 Mar 97
- o Considerable unfunded requirements acknowledged by BPT / RUC
- o 3rd quarter authorized funding is not adequate to meet obligations
  - oo Request to FOBA on 12 Mar 97 (still pending)  
to move \$40M from 4th to 3rd qtr



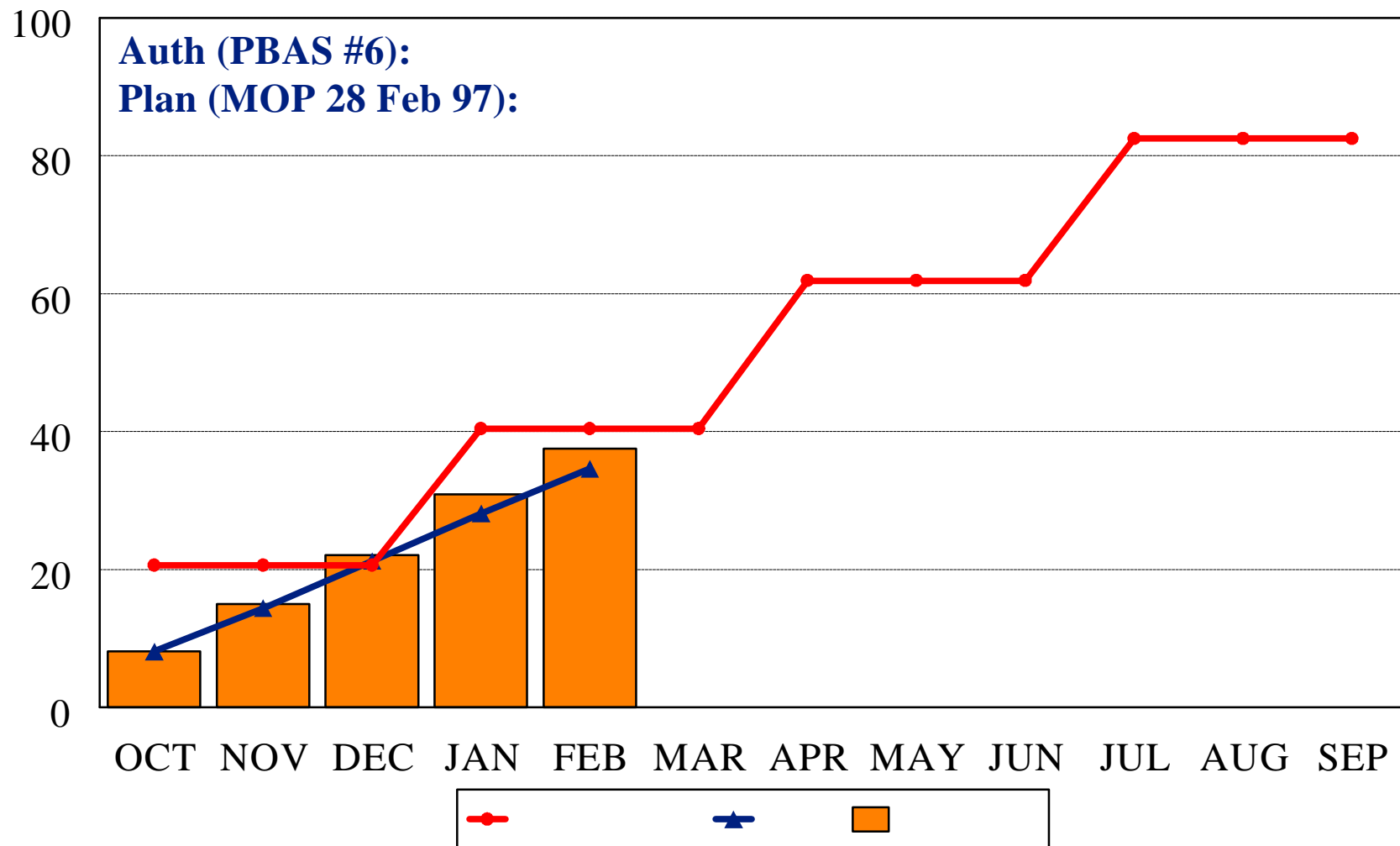
# Resource Management

Feb 97 data

DCMDE



## Reimbursables



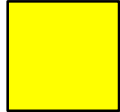
**Earnings/plan: 108%**

DCMDE

**Budget Execution A/O 28 Feb 97**  
**Reimbursables**

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Status: Yellow



Earnings/Plan =  $\$37.5/\$34.6 = 108\%$

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Comments:

- o February earnings \$6.5M, FYTD \$37.5M vs Plan \$34.6
- o Status of request to DCMC (memo 3 Mar) for \$2.2M increase in authority from \$83.4M to \$85.6M - FMS/MIPR/Service Orders.: PENDING



# Resource Management

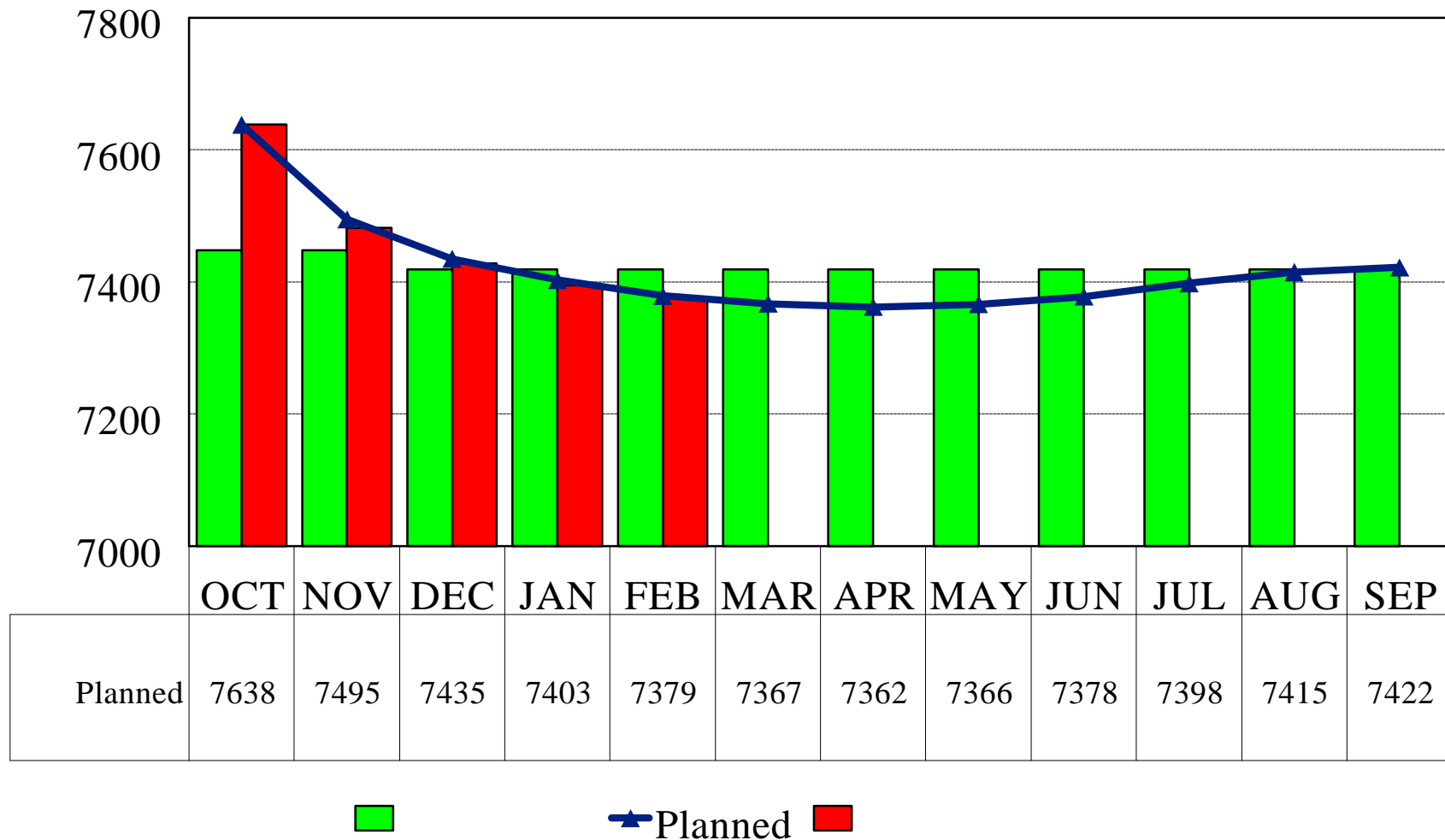
Feb 97 data

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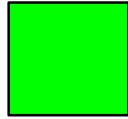
## FY97 DCMDE FTE Execution



**FTEs Execution**  
**A/O 28 February 97**

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Status: Green



FY97 FTEs GOAL = 7419

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Comments: February FTE Variance

- o Actual 7378 vs plan 7379, within 1
- o We plan to exceed our target of 7419 FTE's for FY97.

Performance Metric	DCMD	East
1. Right Item - Conforming Items	N/R	
A Design Defects (ECPs & W/Ds) (3.10.1 & 3.10.1.1)	Yellow	
B Packaging Discrepancies (3.4.1)	N/R	
C Adopted Software Recommendations	Yellow	
2. Right Time - On Time Contractor Delivery (3.7.1)	N/R	
A Customer Priority List (CPL) Coverage (3.7.2)	Green	
B Engineering Change Cycle Time (3.10.2.2)	Yellow	
C Schedule Slippage's on Major Programs (3.12.2.1)	N/R	
D Shipping Document Cycle Time (3.5.2)	N/R	
3. Right Price - Cost Savings & Avoidance's (1.4.1)	N/R	
A ROA On Property From Plant Clearance (4.3.1)	Green	
B Negotiation Cycle Time (2.2.2)	N/R	
C UCA Definitization (2.2.2.1)	Yellow	
D Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green	
E Open Overhead Negotiations (4.4.1)	Yellow	
F Cost Overruns on Major Programs (3.12.1.4)	N/R	
G \$ Value of Lost/Damaged/Destroyed Govt Property (3.2.1)	Green	
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	

Special Topic



DCMDE

Special Topic

RIGHT ITEM  
Conforming Items

# Usable Lab Tested Items/# Lab Tested X 100

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STATUS: ☐ N/R

FY97 Goal: Increase 5% over FY96

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- No current DCMDE failures.

Business Plan Reference: 1.2.1

RIGHT ITEM  
Conforming Items

# Usable Lab Tested Items/# Lab Tested X 100

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STATUS: ☐ N/R

FY97 Goal: Increase 5% over FY96

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- DCMC Recommended Approach
  - oo Limited Trial - “KNOW THE FLOW”
    - ooo Select Limited Sites
    - ooo Commodities
    - ooo High Volume Activity
- Determine Feasibility
- Continue/Alternate Method

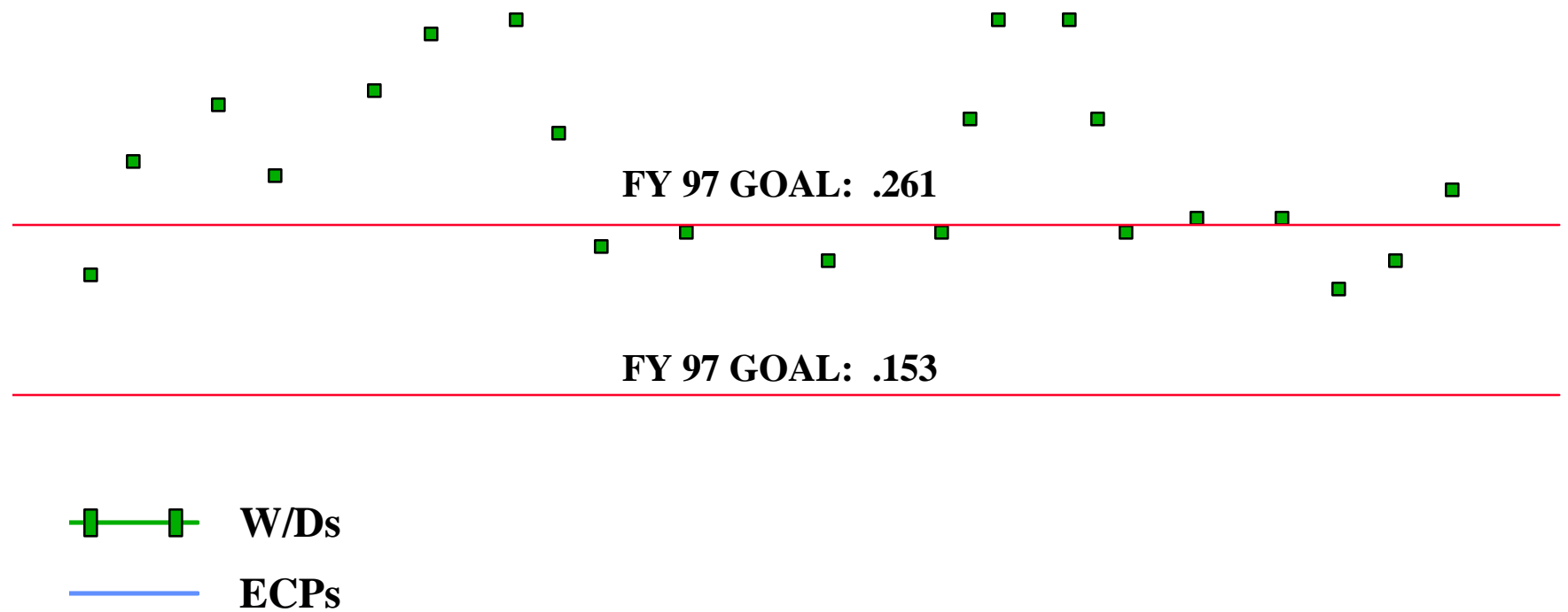
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4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	

Performance Topic

Action Item #2

Action Item #3

# DCMDE



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**STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

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### Monthly Activity

- FY 97 Actual: 0.298 W&Ds per 1K Contracts
- February 1997: 0.29 M/C W&Ds Per 1K Contracts
- Past Major Contributor BSY-2 Program
- Major/Critical W&Ds Processed During February 1997 - 70
- 10 CAOs Account for 81% (57) of W&Ds

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RIGHT ITEM

MAR ACTION ITEM #2

## Design Defects Waivers and Deviations

Major/Critical Waivers & Deviations / Number of Contracts Times 1000

**STATUS:**



YELLOW

FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

### TOP 10 Contributing CAOs for W&D

# W&Ds

## Design Defects Waivers and Deviations

Major/Critical Waivers &amp; Deviations / Number of Contracts Times 1000

**STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&amp;Ds / 1K Contracts

## Monthly Activity

- DCMC Cleveland - Lockheed Martin (Former Loral Akron)
  - Buying Command: NAVSEA 2 W&Ds
  - Root Cause: Process parameters are not properly controlled
  - Corrective Action:
    - (1) LM Implemented 100% screening at certain locations.
    - (2) Reviewed the procedures and determined to be technically adequate. Made improvements to process by using different types of equipment
  - No trend with regard to the remaining 10 W&Ds
- DCMC Philadelphia
  - No trend observed

**Design Defects Waivers and Deviations****Major/Critical Waivers & Deviations / Number of Contracts Times 1000****STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&amp;Ds / 1K Contracts

**Monthly Activity**

- DCMC Hartford - Treadwall Corp.
  - Buying Command: NAVSEA 3 Waivers
  - Root Cause: Design Deficiency (repeat from 7/96). Not able to meet performance requirements.
  - Corrective Action:
    - (1) Removal of capacitor on circuit card currently being investigated.
    - (2) Class I ECP will be processed upon completion of the final analysis. District process owner will follow-up with DCMC Hartford.
- No trend with regard to the remaining 4 W&Ds
- No other trend observed in remaining CAOs

**Business Plan Reference 1.2.1.1**



**Design Defects Waivers and Deviations****Major/Critical Waivers & Deviations / Number of Contracts Times 1000****STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&amp;Ds / 1K Contracts

**Monthly Activity - Root Causes for W&Ds at Remaining CAOs**

- Inadequate Process Controls and Procedures
  - Operators consistently making errors
  - Failure to meet performance requirements
- Use of Improved/Commercial Processes
  - No additional cost to the Government
- Non-Availability of Material
  - Material no longer available
  - Not available in small quantities
- Incomplete/Inaccurate Drawing Packages

**Design Defects Waivers and Deviations****Major/Critical Waivers & Deviations / Number of Contracts Times 1000****STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&amp;Ds / 1K Contracts

**Monthly Activity - Corrective Action by Contractors at  
Remaining CAOs**

- Increased Inspection Levels by Contractors
- Evaluation of Adequacy of Procedures
- Use of improved Manufacturing Techniques
- Increased Operator Training
- Use of Better Tools and Equipment
- Corrective Action Plan related to Drawing Package Issues Addressed Separately

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RIGHT ITEM

MAR ACTION ITEM #3

## Design Defects Waivers and Deviations

Major/Critical Waivers & Deviations / Number of Contracts Times 1000

**STATUS:**



YELLOW

FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

**Design Defects Waivers and Deviations****Major/Critical Waivers & Deviations / Number of Contracts Times 1000****STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&amp;Ds / 1K Contracts

**Yearly Data Review**

- Performed a Detailed Review of W&Ds for 1996 (12 calendar months)
- Two Major Concerns Identified
  - Contractor Build Issues
    - Ten contractors identified for follow-up analysis based on the number of W&Ds related to product build issues
    - Letters sent to 7 CAOs cognizant of the contractors on March 20, 1997
    - Action plan received from CAOs on March 28, 1997, currently being evaluated and discussed with the CAOs.

**Design Defects Waivers and Deviations****Major/Critical Waivers & Deviations / Number of Contracts Times 1000****STATUS:**

YELLOW

FY 97 GOAL: 0.261 M/C W&amp;Ds / 1K Contracts

**Yearly Data Review**

- Technical Data Package Issues
  - 5 Buying Offices have been identified for follow-up based on the number of W&Ds related to data packages (had 10 or more occurrences in CY 96)
    - TACOM, ESC/PK, ASD/PK, NAVSEA & MICOM
  - Memorandum generated to CLRs with copy to the Director of Contracting
  - Response on actions that will be taken will be received by May 02, 97

Performance Metric	DCMD	East
1. Right Item - Conforming Items	N/R	
A Design Defects (ECPs & W/Ds) (3.10.1 & 3.10.1.1)	Yellow	
B Packaging Discrepancies (3.4.1)	N/R	
C Adopted Software Recommendations	Yellow	
2. Right Time - On Time Contractor Delivery (3.7.1)	N/R	
A Customer Priority List (CPL) Coverage (3.7.2)	Green	
B Engineering Change Cycle Time (3.10.2.2)	Yellow	
C Schedule Slippage's on Major Programs (3.12.2.1)	N/R	
D Shipping Document Cycle Time (3.5.2)	N/R	
3. Right Price - Cost Savings & Avoidance's (1.4.1)	N/R	
A ROA On Property From Plant Clearance (4.3.1)	Green	
B Negotiation Cycle Time (2.2.2)	N/R	
C UCA Definitization (2.2.2.1)	Yellow	
D Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green	
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G \$ Value of Lost/Damaged/Destroyed Govt Property (3.2.1)	Green	
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	


 Performance Topic

## DCMDE

## Right Item

### Adopted Software Recommendations

$$\% \text{ Made} = \frac{\# \text{ of Recommendations made prior to Code \& Unit Test}}{\# \text{ of Recommendations made}} * 100$$

$$\% \text{ Adopted} = \frac{\# \text{ of Recommendations adopted prior to Code \& Unit Test}}{\# \text{ of Recommendations made prior to Code \& Unit Test}} * 100$$

**STATUS:**



Yellow

**% Made Goal:  $\geq 65\%$  of Recommendations made prior to Code & Unit Test**

**% Adopted Goal:  $\geq 30\%$  of Recommendations Adopted prior to Code & Unit Test**

% Recommendations Made

# DCMDE

## Right Item

### Adopted Software Recommendations

$$\% \text{ Made} = \frac{\# \text{ of Recommendations made prior to Code \& Unit Test}}{\# \text{ of Recommendations made}} * 100$$

$$\% \text{ Adopted} = \frac{\# \text{ of Recommendations adopted prior to Code \& Unit Test}}{\# \text{ of Recommendations made prior to Code \& Unit Test}} * 100$$

**STATUS:**



Yellow

**% Made Goal:  $\geq 65\%$  of Recommendations made prior to Code & Unit Test**

**% Adopted Goal:  $\geq 30\%$  of Recommendations Adopted prior to Code & Unit Test**

- Recommendations Made
  - FY97 Actual: 52%
- Recommendations Adopted
  - FY 97 Actual: 60%
- Major Contributors
  - DCMC Syracuse
  - DCMC Lockheed Martin Delaware Valley
  - DCMC Indianapolis
  - DCMC Lockheed Martin Orlando
  - DCMC Northrop Grumman Bethpage
  - DCMC Lockheed Martin Federal Systems-Owego



# DCMDE

## Right Item

### Adopted Software Recommendations

$$\% \text{ Made} = \frac{\# \text{ of Recommendations made prior to Code \& Unit Test}}{\# \text{ of Recommendations made}} * 100$$

$$\% \text{ Adopted} = \frac{\# \text{ of Recommendations adopted prior to Code \& Unit Test}}{\# \text{ of Recommendations made prior to Code \& Unit Test}} * 100$$

**STATUS:**



Yellow

**% Made Goal:  $\geq 65\%$  of Recommendations made prior to Code & Unit Test**

**% Adopted Goal:  $\geq 30\%$  of Recommendations Adopted prior to Code & Unit Test**

% Recommendations

# DCMDE

## Right Item

### Adopted Software Recommendations

$$\% \text{ Made} = \frac{\# \text{ of Recommendations made prior to Code \& Unit Test}}{\# \text{ of Recommendations made}} * 100$$

$$\% \text{ Adopted} = \frac{\# \text{ of Recommendations adopted prior to Code \& Unit Test}}{\# \text{ of Recommendations made prior to Code \& Unit Test}} * 100$$

**STATUS:**



Yellow

**% Made Goal:  $\geq 65\%$  of Recommendations made prior to Code & Unit Test**

**% Adopted Goal:  $\geq 30\%$  of Recommendations Adopted prior to Code & Unit Test**

- Working with CAOs who continue to have problems with the use of SPECS
  - \* DCMC Boeing Helicopter
    - \*\* Technical problems with database - under review
  - \* DCMCs Allied Signal
    - Clearwater
    - Lockheed Martin Marietta, Georgia
    - Pratt & Whitney, West Palm Beach
    - Stratford
    - \*\*Need to increase use of SPECS
  - \* DCMC Grand Rapids
    - \*\*Monthly status not provided
- Response to “Lessons Learned” paper has been positive.

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4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	


 Performance Topic

DCMDE

Right Time

E. Engineering Change Cycle Time

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STATUS:



**Yellow**

**FY97 Goal: N/A**

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**Business Plan Reference: Task 1.2.1.2**

# DCMDE

15

10

23

19

78

37

30

52

10

16

12

10

14

6

131

40

227

31

214

22

45

0

DCMDE

DCMDE

## District Corrective Action Plan

- Verify data with CAO/Contractor
- Identify with CAO if appropriate for discussion with Management Council
- Work with DCMC Headquarters, CAOs and CLR's to Influence Buying Activities to:
  - Disposition Open Actions
  - Improve Processes to Reduce Cycle Times



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 Performance Topic

DCMDE

**Right Price  
UCA Definitization  
% of UCAs On-Hand >180 Days**

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FY 97 GOAL 10%

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**Right Price**  
**UCA Definitization**  
**(% of UCAs On-Hand > 180 Days)**

**STATUS:**



**YELLOW**

**FY97 Goal: 10%**

o Feb 97 Overage - 23.8% (688/2891). Ten CAOs with 72.4%

o Total Undefined UCA \$'s (000's)

<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Other</u>	<u>Total</u>
\$25,592	\$835,365	\$42,547	\$13,224	\$916,728

o Total Overage Undefined UCA \$'s (000's)

<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Other</u>	<u>Total</u>
\$13,766	\$324,945	\$16,820	\$ 3,879	\$359,411

o Percentage of Overage Dollars: 39.2%

o Top ten CAO's: Percentage of Overage Dollars: 64.9%

Business Plan Reference: N/A

DCMDE

**Right Price**  
**UCA Definitization**  
**UCA GET WELL PLAN**

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**STATUS:**



**YELLOW**

**FY97 Goal: 10%**

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**FY 97 GOAL 10%**

DCMDE

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**Right Price  
UCA Definitization  
(% of UCAs On-Hand > 180 Days)**

**STATUS:**



**YELLOW**

**FY97 Goal: 10%**

District Staff Actions:

- o Visited Top Five CAOs, Reviewed Corrective Action Plans
- o High Drivers:
  - oo Late Receipt of Contractor Proposal
    - **Management Councils to Address UCAs**
  - oo Late Receipt of GFP
    - District POC Working With CLR's
- o Issued Lessons Learned Letter November 1996
- o Follow up Letter to be Issued April 1997

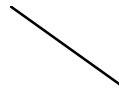
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4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	
A Repeat Requests for Early CAS (1.2.3.1)	Green	

Action Item #4

Special Topic

# DCMDE OVERHEAD NEGOTIATION SETTLEMENT PLAN



**NOTE:** Goal of 400 Open Years is being re-evaluated for FY98 Performance Plan



## Right Price Open Overhead Negotiations (4.4.1)

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**STATUS:**



**YELLOW**

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- o Feb 97 open overhead years - 921
- o District Staff: Visiting top CAOs with OH Center
  - oo Baltimore, Boston, Lockheed Sanders, Lockheed Martin Del Valley, and Atlanta.
  - oo Planned Visits to Cleveland, Detroit, Pittsburgh
  - oo Additional CAO visits planned
- o Encourage use of Management Councils to facilitate negotiation process
- o Refine Corrective Action Plans
- o Encourage effective use of DCMDE resources and prioritization of workload.
- o Encourage ACO Mentoring program with DCEs and Overhead Center
- o Database being constantly purified
  - oo Deleting negotiated and closed years
  - oo Deleting DCAA determined years
- o DCMDE and DCAA sharing databases to reconcile and prioritize



DCMDE

MAR Action Item #4

# **DCMC Baltimore Overhead Settlement Plan**

## **DCMC Baltimore Overhead Settlement Plan**

- 32 contractor locations with 189 open overhead years
- Goal is 74 open overhead years
- Corrective Actions:
  - Prioritize negotiation of OHs older than 2yrs while managing the residual so that they do not become overage.
  - Per FAR 42.705-2 (Final Indirect Cost), reviewing which overhead years are audit determined years.
  - Utilize Price Analysts more to negotiate Overhead Rates.
- Get Well Date: September 1998

DCMDE

MAR Action Item #4

# **DCMC Atlanta Overhead Settlement Plan**

## **DCMC Atlanta Overhead Settlement Plan**

- **Negotiation goals established for each CACO, DACO, and ACO**
- **Overhead issues reviewed monthly by Operations Group Leader**
- **Unit Self Assessment (USA) Team performs monthly review of every long and short term business plan action, including overhead negotiations**
- **USA Team provides a monthly briefing to the Commander's Operations Council on the status of all outstanding overhead years.**
- **Contacting other CAOs to identify best practices**
- **Use of Management Councils to facilitate Overhead negotiations**

DCMDE

MAR Action Item #4

# **DCMC Cleveland Overhead Settlement Plan**

## **DCMC Cleveland Overhead Settlement Plan**

- 42 proposals on hand
- 13 proposals over 2 years old
- 4 in litigation with get well date of Sept 97
- Coordinating with DCAA to prioritize and track audit completion
- CACOs/DACOs/ACOs actively insuring timely proposals
  - Contacting contractor 60 days before proposal due
  - Rarely granting extensions and only for reasonable periods
- ACOs have 2-3 months to negotiate after receipt of audit
- Negotiation progress monitored in monthly management reviews
- Using pricing personnel



DCMDE

MAR Action Item #4

# **DCMC Detroit Overhead Settlement Plan**

## **DCMC Detroit Overhead Settlement Plan**

- **Plan needs revision**
- **Scheduled for OH Center visit in May**
- **Will continue to work plan remotely prior to visit**
- **Major Contractors:**
  - **General Motors**
  - **Teledyne**
  - **General Dynamic**
  - **Environmental Research**

DCMDE

MAR Action Item #4

# **DCMC Boston Overhead Settlement Plan**

## **DCMC Boston**

# **Overhead Settlement Plan**

- **Negotiation goals established for each CACO, DACO, ACO**
- **Monthly review of OH issues by Operations Group**
- **Further oversight by the Executive Steering Committee**
- **Use of Management Councils to facilitate negotiations**
- **Monthly meetings with the local DCAA to ensure audits are scheduled to meet CAOs requirements**
- **Using DCAA's incurred cost audit listing as management tool to track audit scheduling and completion**

# Mission Performance (Con't)

N/R Not Rateable  
N/A Not Applicable

Performance Metric	DCMD	East
B % Contractors on Contractor Alert List (CAL) (2.1.1.2)	N/R	
C Single Process Initiative (1.2.4)	Green	
D Preaward Survey Timeliness (2.1.2)	Green	
E Amount Of DoD Property(3.2.1.1)	N/R	
F Excess Property (3.2.1.2)	Green	
G Delay Forecast Coverage (3.7.1.1)	N/R	
H Delay Forecast Timeliness (3.7.2.1)	N/R	
I Delay Forecast Accuracy (3.7.1.2)	N/R	
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	
A Service Standards (1.3.1)	N/R	
B Trailer Cards (3.11.1.2)	Green	
6. Right Efficiency - Contracts per FTE (1.1.8)	N/A	
A Contract Closeout (4.2.2.2)	Green	
B Canceling Funds (TBD)	Red	
C Termination Actions (4.1.2.)	Red	
7.Right Talent - Training Hours (1.8.1.)	Red	
A DAWIA Certification (1.8.1.2)	Yellow	
B Course Completion (1.8.1.1)	Green	
C Training Quota Usage (1.8.1.3)	Green	60



Performance Topic

DCMDE

# **FY 97 Canceling Funds Section 1-4 Total Burndown Plan**

FY 97 Baseline - \$791,616,541



**FY 97 Goal**

## Right Efficiency Canceling Funds

---

**STATUS:**  **RED**

FY 97 Goal: \$0 Canceling Funds

---

- o Goal of \$0 canceling at FY end requires red status code throughout the year
- o District total ULO, FY 97 baseline: \$791.6M
  - oo District total ULO, as of Feb 97: \$619.6M
  - oo Decrease/positive trend continues
  - oo Reduced by 21.7% thus far
- o Pacing CAOs identified based solely upon “Total-ULO’s” on Canceling Funds Report
  - oo Changes to Total-ULO calculations on canceling funds report required in order to more accurately depict total dollars at risk

DCMDE

# Contracts With FY 97 Canceling Funds Section 1-4 Total

## **District Total - Sec 1-4**

Feb 97 - \$619,574,307

## **Top 5 Pacing CAOs**

Feb 97

---

FY97 Baseline



DCMDE

# Contracts With FY 97 Canceling Funds Section 1-3 Total

## **District Total - Sec 1-3**

Feb 97 - \$617,043,077

## **Top 5 Pacing CAOs**

Feb 97

---

FY97 Baseline

## **Right Efficiency Canceling Funds**

### **DCMDE Improvement Plan**

- o Continue to advise and support HQ in refinement of canceling funds goal and metric
  - oo Process of calculating dollars at risk, and setting goals continues to evolve
- o Working with all offices, but will concentrate initially on 10 CAOs with highest total ULOs per 690 report
- o Memo being prepared for field offices:
  - oo Inform CAOs that all are being tracked, and that top 10 will be required to submit monthly status report, including action plans and milestones
  - oo Every CAO to provide “root cause” information, for analysis and additional improvement planning by District and HQ
  - oo Request CAOs advise how District can assist

# Mission Performance (Con't)

N/R Not Rateable  
N/A Not Applicable



Performance Metric	DCMD	East
B % Contractors on Contractor Alert List (CAL) (2.1.1.2)	N/R	
C Single Process Initiative (1.2.4)	Green	
D Preaward Survey Timeliness (2.1.2)	Green	
E Amount Of DoD Property(3.2.1.1)	N/R	
F Excess Property (3.2.1.2)	Green	
G Delay Forecast Coverage (3.7.1.1)	N/R	
H Delay Forecast Timeliness (3.7.2.1)	N/R	
I Delay Forecast Accuracy (3.7.1.2)	N/R	
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	
A Service Standards (1.3.1)	N/R	
B Trailer Cards (3.11.1.2)	Green	
6. Right Efficiency - Contracts per FTE (1.1.8)	N/A	
A Contract Closeout (4.2.2.2)	Green	
B Canceling Funds (TBD)	Red	
C Termination Actions (4.1.2.)	Red	
7.Right Talent - Training Hours (1.8.1.)	Red	
A DAWIA Certification (1.8.1.2)	Red	
B Course Completion (1.8.1.1)	Green	
C Training Quota Usage (1.8.1.3)	Green	

Action Item #5

Performance Topic

**Right Efficiency**  
**Termination Actions**  
**Termination for Convenience Cycle Time**

---

<b>STATUS:</b>		<b>GREEN</b>	FY97 Goal: Cycle Time < 730 Days Dockets with Termination Date after 1/1/95
		<b>RED</b>	FY97 Goal: Zero Dockets with Termination Date prior to 1/1/95

---

- o New Metric Developed  
Applies Only to Dockets with Termination Date after 1/1/95;  
Goal < 730 days; Achievable Goal
- o Closeout Goal  
Do Not Anticipate Achieving “0” Open Dockets with  
Termination Date Prior to 1/1/95

## Right Efficiency Termination Actions

### Termination for Convenience Cycle Time

---

**STATUS:**



**Red**

FY97 Goal (Sep 30, 1997): Zero Dockets On Hand with  
Termination Date prior to 1/1/95

---

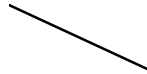
- o Do not Anticipate Achieving “0” Open Dockets with Termination Date prior to 1/1/95
  - oo 72 Projected Closing Beyond Sep 97 Goal

A-Atlanta B-Boston P-Philadelphia C-Cleveland N-New York S-Springfield
---

- o HQ Project to Identify Dockets w/Canceling Funds, Requiring Plant Clear. & In Lit.
  - oo Potential Intervention Opportunities Will Be Identified

DCMDE

# **Right Efficiency Termination Actions Burndown Plan**



## **Right Efficiency Termination Actions Burndown Plan**

- o Missed Plan Projections for Feb by 14 dockets
  - oo Atlanta Projected 7/Actual 4
    - Mods not returned by contractor
  - oo Boston Projected 12/Actual 3
    - Front loaded projections too venturesome
  - Delta of 9 Feb to plan resched: 1- 5/97; 4-6/97; 1-7/97; 3-9/97
  - oo New York Projected 13/Actual 4
    - Contractor nonresponsive
  - Delta of 9 to plan resched: 2 now closed; 7-6/97
- o Notable Performance by Philadelphia
  - Planned 0/Actual 7
- o Plan projections revised for all and commitment reenergized

## Special Interest Item - DCMC New York

- o Issue: Large Number of Dockets in the 4, 5, and >5 Year Category

- o Background:

Average Days

54 Total Dockets

T/C Date to Receipt Date

12 - 4yrs (i.e. T/C date &gt;1/1/93)

125 Days

26 - 5yrs (i.e. T/C date &gt;1/1/92)

761 Days

16 - &gt;5yrs (i.e. T/C date &lt;1/1/92)

1333 Days

- o Root Cause: 37 of 54 Dockets (69%) w/Northrop Grumman

- oo Contractor difficult to work with; limited resources responsible for terminations; concentration on a few large dollar T/C actions

- oo Situation exacerbated by length of time for a T/C action to be furnished TSO for processing



## Special Interest Item - DCMC New York (cont.)

- o Corrective Action:
  - oo Weekly visits to contractor - only moderate success; Met w/DCMC Northrop Grumman CDR; Ltr to contractor management
  - oo Terminations added to Management Council Agenda for May 97
  - oo Periodic reminders that ACOs are required to supply notices to TCOs within 7 days
  - oo Database comparisons
- o Results to Date with Northrop Grumman
  - oo Contractor agreement to negotiate and settle small dollar terminations
  - oo Reduced time for T/C actions to be furnished to TCO; cycle time now averaging 62 days.
- o Improvement Plan: 54 Dockets 4 years and older  
All but 4 scheduled to close by Sep 97.
  - oo Reasons:
    - ooo Litigation (1), Subcontractor costs (1),  
Investigation (1), Revised Proposal (1)
- o New York has made considerable progress in reducing overage  
Mar 95:151 overage; Mar 96:81 overage; Feb 97:66 overage

# Mission Performance (Con't)

N/R Not Rateable  
N/A Not Applicable

Performance Metric	DCMD	East
B % Contractors on Contractor Alert List (CAL) (2.1.1.2)	N/R	
C Single Process Initiative (1.2.4)	Green	
D Preaward Survey Timeliness (2.1.2)	Green	
E Amount Of DoD Property(3.2.1.1)	N/R	
F Excess Property (3.2.1.2)	Green	
G Delay Forecast Coverage (3.7.1.1)	N/R	
H Delay Forecast Timeliness (3.7.2.1)	N/R	
I Delay Forecast Accuracy (3.7.1.2)	N/R	
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	
A Service Standards (1.3.1)	N/R	
B Trailer Cards (3.11.1.2)	Green	
6. Right Efficiency - Contracts per FTE (1.1.8)	N/A	
A Contract Closeout (4.2.2.2)	Green	
B Canceling Funds (TBD)	Red	
C Termination Actions (4.1.2.)	Red	
7.Right Talent - Training Hours (1.8.1.)	Red	
A DAWIA Certification (1.8.1.2)	Yellow	
B Course Completion (1.8.1.1)	Green	
C Training Quota Usage (1.8.1.3)	Green	74



Performance Topic


DCMDE

**RIGHT TALENT**  
***EMPLOYEE TRAINING HOURS***

DCMDE

# RIGHT TALENT TRAINING HOURS TRAINING HOURS/EMPLOYEE

---

**STATUS:**  **RED**

**FY97 GOAL:** 84 HRS/YR OR 7 HRS/MON

---

- **CAUSE**

- FY96 allocated \$8.5M approximately 65 Hrs/PP (Did Not Reach Goal)
- FY97 requested \$12M (Would Reach Goal), allocated \$6.5M approximately 45 Hrs/PP
- Budget has been reduced to \$5.0M, which will cause a reduction of 116 DAU Courses, 607 Spaces. This will cause a reduction of 9.5 Hrs/PP, 35.5 Hrs/PP for the Fiscal Year.

# Mission Performance (Con't)

N/R Not Rateable  
N/A Not Applicable

Performance Metric	DCMD	East
B % Contractors on Contractor Alert List (CAL) (2.1.1.2)	N/R	
C Single Process Initiative (1.2.4)	Green	
D Preaward Survey Timeliness (2.1.2)	Green	
E Amount Of DoD Property(3.2.1.1)	N/R	
F Excess Property (3.2.1.2)	Green	
G Delay Forecast Coverage (3.7.1.1)	N/R	
H Delay Forecast Timeliness (3.7.2.1)	N/R	
I Delay Forecast Accuracy (3.7.1.2)	N/R	
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green	
A Service Standards (1.3.1)	N/R	
B Trailer Cards (3.11.1.2)	Green	
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7.Right Talent - Training Hours (1.8.1.)	Red	
A DAWIA Certification (1.8.1.2)	Yellow	
B Course Completion (1.8.1.1)	Green	
C Training Quota Usage (1.8.1.3)	Green	

Action Item #6

Performance Topic

DCMDE

**RIGHT TALENT  
DAWIA CERTIFICATION**

DCMDE

**RIGHT TALENT**  
**A. DAWIA CERTIFICATION**  
**#CERTIFIED/TOTAL EMPLOYEES**

---

**STATUS:**  **YELLOW**      **FY97 GOAL: 90% CERTIFIED**

---

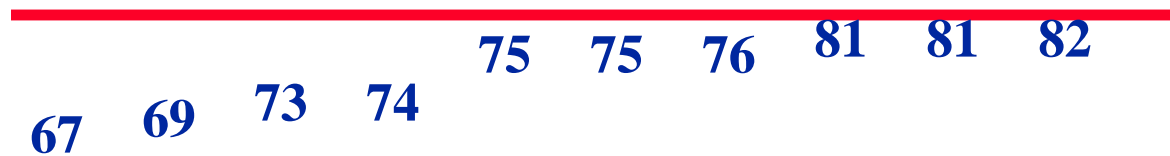
- **CAUSE:**
  - CANCELLATION OF DAU CLASSES FOR MAY, POSSIBILITY OF THE REMAINDER OF THE FY DAU CLASSES BEING CANCELLED.
  - CERTIFICATIONS NOT SUBMITTED, CAUSING DATABASE TO BE INACCURATE
- **CORRECTIVE ACTION:**
  - CAOS ARE IN THE PROCESS OF UPDATING DAWIA SPREADSHEETS.
  - CERTIFICATION HAS INCREASED 82% IN JANUARY TO 87% IN FEBRUARY

DCMDE

## DAWIA Certification DCMDE Pacing CAOs

Goal: 90%

Percent



A. Northrop Grum

B. P&W WPB

C. LM Orlando

D. Allied Signal

E. LM Marietta

F. Baltimore

G. Sikorsky

H. WestBaltimore

I. LM Sanders

J. Grum St. Aug



# **RIGHT TALENT DAWIA CERTIFICATION**

---

**STATUS:**  **YELLOW**      **FY97 GOAL: 90% CERTIFIED**

---

## **DCMC NORTHROP GRUMMAN**

January 49% Certified - February 67% Certified

16 individuals not certified 9 are scheduled to attend classes this FY.

## **DCMC SIKORSKY**

January 69% Certified - February 76 % Certified

26 individuals not certified 14 are scheduled to attend classes this FY.

## **DCMC PRATT & WHITNEY WEST PALM BEACH**

January 70% Certified - February 69% Certified

9 individuals not certified 4 are scheduled to attend classes this FY.

# **RIGHT TALENT DAWIA CERTIFICATION**

---

**STATUS:**  **YELLOW**      **FY97 GOAL: 90% CERTIFIED**

---

## **DCMC BALTIMORE**

January 70% Certified - February 75% Certified

85 individuals not certified 30 are scheduled for classes this FY.

## **DCMC LOCKHEED MARTIN ORLANDO**

January 71% Certified - February 73% Certified

17 individuals not certified 8 are scheduled for classes this FY.

## Special Topic

# Unreconcilable Contracts

DCMDE

## UNRECONCILABLE CONTRACTS

STATUS:  RED

FY97 Goal: Close By APR 97

<u>CAO</u>	<u># Contracts</u>	<u>Closed</u>	<u>Balance</u>
DCMC Baltimore	6	4	2
DCMC Detroit	1	1	0
DCMC Indianapolis	4	3	1
DCMC Lockheed Sanders	1	1	0
DCMC LM Del Valley	3	2	1
DCMC Pittsburgh	2	0	2
DCMC Raytheon	2	2	0
DCMC Reading	1	0	1
DCMC Springfield	4	1	3
DCMC Stratford	2	2	0
DCMC Syracuse	<u>1</u>	<u>1</u>	<u>0</u>
	27	17	10
Special Topic			

## UNRECONCILABLE CONTRACTS

### KEY ISSUES

- DCMC BALTIMORE: Contract N61339-90-0038 ECD: JUNE 97
  - Baltimore did not have contract. Copy of Contract received from Contractor on 1/27/97.
  - Obligation Audit in process.
  - DFAS has identified discrepancies. ACO & PCO to discuss and resolve open issues. Contractor involvement is also required. Contractor has verified amount paid as \$1,438,122.29.
  - Obligation Audit in process.
- DCMC BALTIMORE: Contract MDA903-81-C-0166 ECD: JUNE 97
  - Obligation Audit performed by ACO disclosed discrepancy of \$4,710. DFAS has been requested to make appropriate adjustments.
  - ACO has furnished DFAS with copies of missing documentation. However, some documentation is still missing. DFAS will advise whether or not the missing documents are required to continue the negotiated reconciliation process.



# Performance Improvement

Feb 97 data

DCMDE





# Performance Improvement(Con't)

Feb 97 data

DCMDE



## Performance Goal 3.1.1

### Facility Costs

---

Status: Red

---



Reduce facilities costs by bringing the square footage of office space into compliance with the DLA standard average of 130 square feet per person and by moving offices from leased space into DoD space

#### **130 Square Feet**

- o 32 Locations not in compliance
  - o 11 Locations in compliance
- 43 Total (Offices over 10 Employees)

#### **Leased vs. DoD Space**

- o 20 Offices in DoD Space
  - o 23 Offices in Leased Space
- 43 Total (Offices over 10 Employees)



DCMDE

## Performance Goal 3.1.1 Facility Costs

Top 10 DCMDE Offices  
with 10 or more Employees

## Performance Goal 3.1.1 Facility Costs

### District Corrective Action

- o Last 2 years we moved 4 offices from leased to DoD space with a total cost savings of \$3,957,000
  - o DCMC Detroit                      \$312,000
  - o DCMC Cleveland                \$475,000
  - o DCMC Springfield              \$969,000
  - o DCMC New York                \$2,201,000
- o We are continuing to look for these opportunities
- o We are requesting each office to review and submit a plan within 60 days as to how they will burndown to 130 square feet along with the associated cost impact
- o Working closely with AQBA (Roger Nelson)



# Performance Improvement(Con't)

Feb 97 data

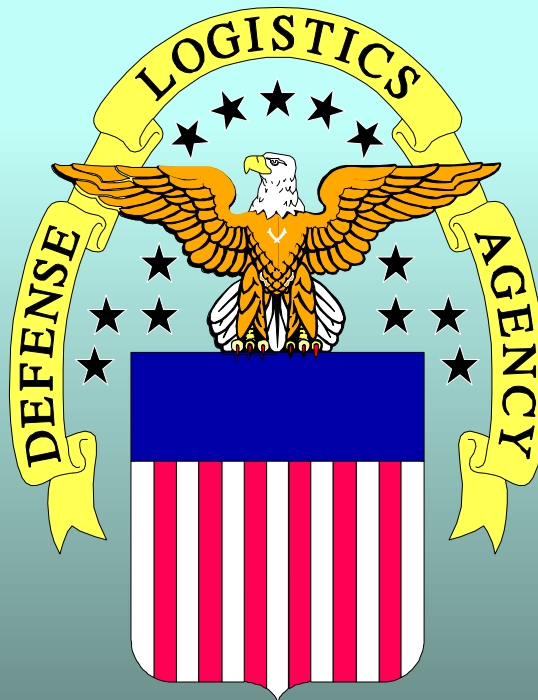
DCMDE



# DCMC

## Monthly Management Review

DCMIDW



# DCMC Monthly Management Review

Ed Swiatek/DCMDW

April 10, 1997





# Overview

---

- Resource Management
- Mission Performance
- Performance Improvement



# Resource Management



# FY97 Total Execution

Millions of Dollars

Obligations/Current Month Plan: 99.1%





# FY97 Total Budget Execution

---

**STATUS: Yellow**

**FY97 Goal: 100%**

---

- Obligations/Plan =  $\$152.9\text{M}/154.2\text{M} = 99.1\%$
- Within authorization of \$254.6M but under plan by \$1.4M
- Variance due to non-labor under expenditures primarily Object Class 21, Travel (785K) and 23, Rents/Communications (755K).



# Resource Management



# FY97 DCMDW Direct Execution

Millions of Dollars

Obligations/Current Month Plan: 98.1%



# FY97 Direct Budget Execution

---

**STATUS: Red**

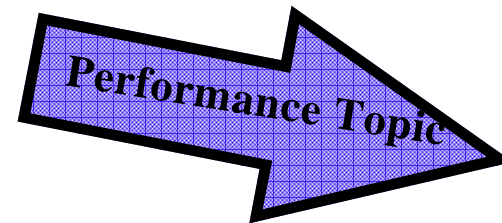
**FY97 Goal: 100%**

---

- Obligations/Plan = \$118.1M/120.4M = 98.1%
- Actual obligations under plan by \$2.3M
- Variance due to overearnings (\$1.4M) in reimbursables and under-executing in Object Class 21, Travel (\$785K) and Object Class 23, Rents/Communication (\$755K)



# Resource Management



# FY97 Reimbursable Execution

Millions of Dollars



# FY97 Reimbursable Budget Execution

---

**STATUS: Red**

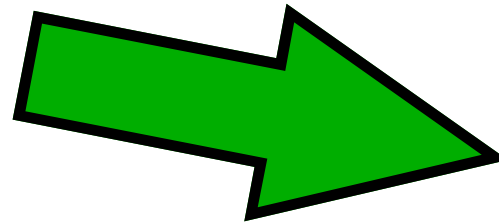
**FY97 Goal: 100%**

---

- Earnings/Plan =  $\$34.7\text{M}/33.7\text{M} = 102.9\%$
- Reimbursable expenditures have considerable fluctuations that are difficult to forecast.
- We believe the variation is within recoverable limits.



# Resource Management





# DISTRICT FTE STATUS

a/o Feb 97

AUTHORIZ	5666	5666	5666	5666	5666	5666	5666	5666	5666	5666	5666	5666
PLANNED	5731	5706	5703	5638	5629	5623	5622	5624	5645	5658	5669	5667
YTD ACTU	5731	5655	5659	5638	5628							

Goal: within .5 of plan



# Mission Performance

---

- Resource Management
- Mission Performance
- Performance Improvement



# Mission Performance





# Right Item

## Percent Conforming Items

Number of useable lab tested items/number of items tested

---

**STATUS:** Not Rated

FY 97 GOAL : 5% improvement

---

- PVP (lab test) measures spares/piece part DCMC surveillance escapes
- DCMC recommended approach to measure various products (major program, subsystem, commodities) - “KNOW THE FLOW”
  - Limited trial
  - DCMDW to identify test sites/schedule
  - Assess results



# Right Item

## Percent Conforming Items

---

- Three DCMDW Lab Test failures (PQDRs)
  - DCMCs Denver, Santa Ana & Van Nuys
    - All Non-Resident
    - No First Articles (Van Nuys waived by PCO)
    - DCMC Santa Ana PQDR may be invalid - awaiting exhibits - data package may require modifications
    - No discernible trends regarding DCMC surveillance escapes



# Mission Performance





# Right Item

## Surveillance of Software Development

65% of comments prior to Coding of which 30% are accepted

---

**STATUS:** YELLOW

FY 97 GOAL : 65% prior to coding, 30% accepted

---

- February 97:
  - 62% of comments are generated prior to coding.
  - 78% of comments accepted



# Right Item

## Surveillance of Software Development

Sixty-five percent of comments prior to Coding

---



Goal





# Right Item

Metric: 65% of comments prior to coding  
CAOs not meeting goal

---

416/705

78/154

Percent of  
Comments  
Prior to  
Coding

173/449

73/225

17/134

Comments prior to code/total # of comments



# Right Item

## Surveillance of Software Development

65% of comments prior to Coding of which 30 percent are accepted

---

- DCMDW is at 61.8% of comments made prior to coding.
  - Workload of organizations who failed to meet the goal had the majority of contracts in or beyond coding phase
    - Example: DCMC Chicago has seven software development contracts, only one of which is prior to code
- Corrective Action Plan:
  - Developing an understanding of opportunities (contracts prior to code and unit test)
  - Will place systematic emphasis on these targets



# Mission Performance





# Right Time

## Customer Priority List (CPL) Coverage

Responsiveness within 5 business days

---

**STATUS:** YELLOW

FY 97 GOAL : 100%

---

- February: 79%
- Previously rated green.

### Primary Customers:

- US Army Tank-Automotive and Armaments Command (TACOM)
- US Army Aviation and Troop Command (ATCOM)
- Naval Inventory Control Point (NAVICP)



# Right Time

## Customer Priority List (CPL) Coverage

100% Responsiveness within 5 business days

---

99%

99%

99%

96%

79%

Oct-96

Nov

Dec

Jan-97

Feb

(DCMDW)



# Right Time

## Customer Priority List Coverage

100% Responsiveness within 5 business days

---

% of late CPL Replies

# of

Late

(47)%

(34)%

Replies

(100)%



# Right Time Customer Priority List Coverage

100% Responsiveness within 5 business days

---

San Antonio - 27/58 - 47%

- ALERTS system problems - Version 1.1

Van Nuys - 24/70 - 34%

- Internal distribution problems
- Lack of familiarity with process at one site

San Francisco - 15/15 - 100%

- ALERTS system problem - Version 1.1
  - Past 6 months 100% responsiveness within the goal



# Mission Performance







# Right Time

## Engineering Change Cycle Time

Avg. number of days required by CAO and Buying Activity to process and disposition Class I ECP during the period.

---

**STATUS: YELLOW**

**FY97 GOAL : None**

---

- Current Status: 37 days (Average ECP Cycle Time)
  - New Metric
  - Positive Trend, however low volume.



# Right Time

## Class I ECPs Cycle Time

### Average Days (FY 97)



# Right Time

## Class I ECPs Cycle Time

**Average Days (Feb) ( ) Volume of Activity**



# Right Time

## Engineering Change Cycle Time

- Process Drivers
  - San Antonio.
    - Received late requests from contractor (Orange Shipments, Houston, TX).
    - CAO will improve the process.
  - Chicago, S&S, LM Astro and Santa Ana.
    - Cycle time appears reasonable.



# Right Time

## % Major Action with PCO Disposition



# Right Time

## Engineering Change Cycle Time

### Bottom Line

- Heading the right direction.
- Continuing to analyze ACTS data.
- ACTS data improving.
  - Still not complete.
  - CAO visits planned (May 1997).



# Right Time

## Engineering Change Cycle Time

CAOs tentatively identified for staff assistance visit.

- Hughes, Tucson.
- Boeing, Seattle.
- Lockheed, Ft Worth.
- MD St.Louis, .
- San Diego.
- Northrop Grumman, Hawthorne.
- Loral/Vought, Dallas



# Mission Performance







# Right Price

## UCA Definitization

# UCAs On-Hand > 180 Days / # UCAs On-Hand

---

**STATUS: RED**

**FY 97 GOAL : 10% Overage**

---

- February 1997 - - 30%
  - Backlog in number of overage UCAs continuing to reduce
  - UCAs on-hand declines from 2110 to 2014



# Right Price

---

867	893	1063	847	743	617
947	888	938	778	676	614
1133	932	947	888	938	743
2623	2658	2654	2380	2532	676
2727	2528	2534	2378	2066	2110
					2014



# Right Price

## UCA Definitization

### Pacing CAOs With Overage UCAs

### **Overage/On-Hand**

**109/255**

**90/193**

**49/112**

**43/118**

**24/47**



# Right Price

## UCA Definitization

### CAO Drivers, Corrective Actions, Get Well Date

---

- Northrop Grumman (H) Mar 98
  - Design Changes on B-2 Program PIOs
    - Additional funds required for definitization (45 O/A)
    - Part # rolls delay proposal submittal and negotiations with prime and subcontractors (41 O/A)
  - Corrective Action
    - Ongoing discussions/letters to OCALC for additional funds
    - Increased coordination with AF and contractor to expedite all actions required for part # rolls
    - Quarterly B-2 Contract Management Review Meeting monitors all program issues



# Right Price

## UCA Definitization

### CAO Drivers, Corrective Actions, Get Well Date

---

- Hughes LA Sep 97
  - Overage UCAs primarily at Fullerton/Torrance locations (90 O/A)
    - Personnel vacancies filled
  - Corrective action plan in place
    - Negotiating in batch process with IPT pricing
    - Identifying & eliminating bottlenecks
    - Anticipating improvement on burn down plan
  - Management Council used to focus attention on issues



# Right Price

## UCA Definitization

### CAO Drivers, Corrective Actions, Get Well Date

---

- Lockheed Martin FTW Feb 98
  - Increased workload on F-16 Program
    - Received 78 PIOs during the past seven months
    - Provisioning for FMS Singapore (30 O/A)
    - Vendors out of business (9 O/A)
      - prime contractor had to locate new sources
    - Product redesign (2 O/A)
  - Management Council used to focus attention
    - Workload redistribution under assessment
    - Procas project to review process/re-engineer
    - Batch negotiation methodology being utilized



# Right Price

## UCA Definitization

### CAO Drivers, Corrective Actions, Get Well Date

---

- Santa Ana Jul 97
  - Boeing North American (29 O/A)
    - AC-130U Gunship--Part # rolls contribute to delay proposal submittal and negotiations
    - Aircraft configurations not baselined
  - ACO, Program Office and Contractor's upper management meeting to resolve problems
    - IPT pricing is being utilized
  - Navy repair orders (11 O/A)
    - Vendor parts no longer in production
      - Contractor looking for a new source
  - During Feb 97 the CAO definitized 13 overage UCAs, 11 ahead of target
  - Using Management Council to focus attention



# Right Price

## UCA Definitization

### CAO Drivers, Corrective Actions, Get Well Date

---

- Seattle Aug 97
  - Insufficient funding
    - Additional funding requested and received from NAVICP
    - 14 Overage UCAs have been definitized
  - Management Council will be utilized to focus attention
  - CAO is on track to meet goal





# Right Price

## UCA Definitization

### Bottom Line

---

- Additional reviews are being scheduled
- Corrective action plans for pacing CAOs are continuously monitored
- Expect downward trend in number of overage UCAs to continue

Target

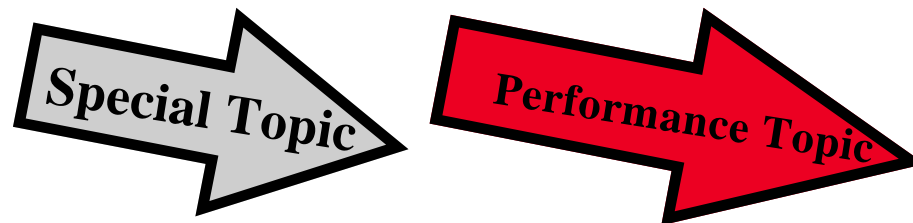
Actual

Goal

---



# Mission Performance





# Right Price


## Number of Open Overhead Negotiations

---

Status: **RED**

FY97 Goal: Two Open Years or Less

---

- DCMDW Open Backlog Comparison
    - 1,108 Open Overhead Years (30 Sep 96)
    - 1,031 Open Overhead Years (31 Mar 97)
  - Closed 253 open years in the last six months
- 



# Right Price

## Number of Open Overhead Negotiations

### DCMDW Settlement Plan

No. of Years

Get Well Plan

Goal



# Right Price

Number of Open Overhead Negotiations  
Pacing CAOs for “Count”

50% of  
1,031

# Right Price

Number of Open Overhead Negotiations

---



# Right Price

## Number of Open Overhead Negotiations

---

- Comments
  - Overhead Center reviews having impact
  - Progress being made at all CAOs
    - Mar 97- 16 of 30 CAOs at Goal
    - Sep 96- 13 of 30 CAOs at Goal
  - (Mar 97) compared to 13 of 30 at Goal (Sep 96)
  - Pacing CAO visits underway - April Schedule
    - DCMC Seattle and DCMC Boeing Seattle on Apr 8-9, 97
    - DCMC Hughes LA on Apr 28-29, 97
- Bottom Line
  - Focus and Management Attention Must Continue



# Mission Performance(Con't)







# Right Advice

## Preaward Survey Timeliness

# Preaward Surveys Completed on or before Due Date Required by Buying Activity

---

STATUS: YELLOW

FY 97 Goal: 80% On Time

---

- February: 76%
  - Increase from 66% in January.

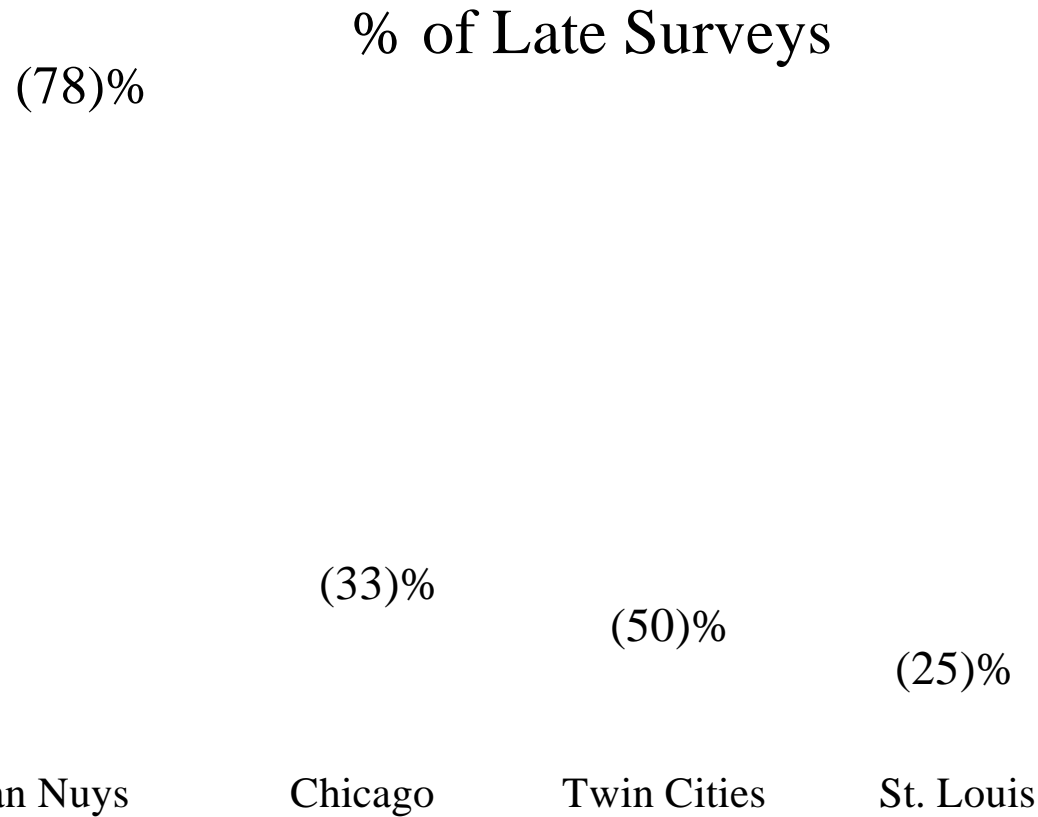


# Right Advice Preaward Survey Timeliness

81%      83%  
66%      76%



# Right Advice Preaward Survey Timeliness





# Right Advice

## Preaward Survey Timeliness

---

- Van Nuys 14/18 - 78% late
  - Workload Spike - Financial Analysis
  - DCAA Audit Report Delay - Accounting System Review
  - Delay due to customers use of regular mail, incorrect addresses
- Chicago 3/9 - 33% late
  - Bidder Availability
  - DCAA Audit Report Delay- Accounting System Review
  - Mail Delay



# Right Advice

## Preaward Survey Timeliness

---

- Twin Cities 2/4 - 50% late
  - Bidder Availability
  - Incomplete Data From Bidder
- St. Louis 1/4 - 25% late
  - Internal Resources
- Good News: Customer feedback for the last three months rated our timeliness at 5.4 out of 6.



# Mission Performance(Con't)





# Right Reception

## Service Standards

Number of Yes Opportunities Met / Number of Yes Opportunities

---

Status: Red

FY 97 GOAL : 98%

---

β February: 84% of Yes Opportunities Met on Phone Survey to  
DCMDW Personnel

β Metric Formula

Number of yes opportunities met

39

Number of yes opportunities

46

84%

β Number of calls per month (10)

β DCMC HQ Testing This Process



# Right Reception Service Standards Trend

**PERCENTAGE**

**Month**





# Right Reception Service Standards

- Call Locations with “NO” answers on survey
  - DCMC Van Nuys - (5) NOs
    - Was the Message answered in timely manner?
    - Was a “live” interface option available?
    - Were you able to make contact with a “live” person?
    - Did you get the information you required?
    - Was it provided in the time frame you requested
  - DCMC Wichita - (2) NOs
    - Was a live interface option available?
    - Were you able to make contact with a “live” person?

—



# Right Reception Service Standards

- Call locations with all “YES” answers
  - DCMC Ontario - 100%
  - DCMC Twin Cities - 100%
  - DCMC Santa Ana - 100%
  - DCMC St. Louis - 100%
  - DCMC Van Nuys - 100% 2nd call
  - DCMC Stewart/Stevenson 100%
  - DCMC Wichita 100% 2nd call
  - DCMC San Fransisco 100%



# Right Reception Service Standards

- Driver for decrease in metric rating:
  - Surveys were conducted by several individuals in DCMDW-O reaching a larger population of different functions.
- CAO Commanders Contacted for Corrective Action



# Mission Performance(Con't)



Right Efficiency  
Contract Closeout  
Canceling Funds

---

STATUS: RED

FY 97 GOAL: 0 Canceling Funds

---

CANCELING FUNDS  
FISCAL YEAR 1997 - TREND  
*(IN MILLIONS)*

Actual

District Projection

Right Efficiency  
Contract Closeout  
Canceling Funds

---

PACING CAOs by CAR SECTION

Active Contracts

(

Physically Complete Contracts

Right Efficiency  
Contract Closeout  
Canceling Funds

---

PACING CAOs by CAR SECTION

In Litigation/Bankruptcy

DFAS Adjustments

# Right Efficiency

## Contract Closeout

### Canceling Funds

---

- Source data is distorted, adjustments required for Progress Payments and other disbursements.
  - FASST Team working on a tailored report
  - Anticipate correction of problem April, 1997
- Current emphasis on CAOs with highest canceling funds:
  - McDonnell Douglas, Long Beach
  - Santa Ana
  - Van Nuys
  - McDonnell Douglas, St. Louis
  - Dallas



# Right Efficiency

## Contract Closeout

### Canceling Funds

- Process Drivers:
  - Awaiting Contractors' delivery billings
  - Final Overhead Rates pending
  - Terminations for Convenience
  - Mocas posting errors
  - Unmatched Disbursements

## UNRECONCILABLE CONTRACTS

---

- AQOE Memorandum dated Oct 25, 1996
  - Tasked District to use negotiated reconciliation process to close contracts
- 8 CAOs tasked to close 31 contracts
  - Current Status:
    - 11 Closed or removed from list
    - 11 In final process of reconciliation, negotiation, and closure
    - 3 In reconciliation at DFAS
    - 6 Various Actions: Funds, Demand Letter , Final OH Rates, Mods in process, Litigation
- 27 Projected to be closed by June 30, 1997



# Mission Performance(Con't)





# Right Efficiency Termination Actions

Termination for Convenience Cycle Time

---

STATUS: VARIOUS

FY97 Goal: Cycle Time < 730 Days

---

- February 97 data
- Cycle Time
  - Two New metrics
    - Closed Dockets (excluding dockets terminated prior to 1/1/95)
      - GREEN
    - All Closed Dockets
      - NOT RATED
- Overage Dockets
  - RED



# Right Efficiency Termination Actions

Overage Dockets

---

Status: **RED**

FY97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

---

- February 97 - 226 overage dockets on hand

<u>TSO</u>	<u>Overage Litigation/ Bankruptcy</u>	<u>Total Overage/ Workload</u>	<u>% Overage</u>
Chicago	24	29/112	26%
Dallas	3	32/103	31%
Phoenix	1	1/27	4%
San Diego	0	3/16	19%
Santa Ana	6	41/93	44%
St. Louis	3	33/151	22%
Van Nuys	<u>3</u>	<u>87/218</u>	<u>40%</u>
Total	40	226/720	31%



# Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

---

STATUS: **RED**

FY97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

---



# Right Efficiency

## Termination Actions

Overage Dockets - Pacing CAOs

---

STATUS: **RED**

FY 97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

---



# Right Efficiency Termination Actions

Overage Dockets - CAO Burn Down Plan

---

STATUS: **RED**

---

FY97 Goal: Zero Dockets

---

New Metric Established  
✱

- (1) 3 Dockets in litigation
- (2) 3 Dockets in litigation
- (3) 6 Dockets will close when funding is received: Rockwell OV10,  
6 Dockets in litigation

- (4) 3 Dockets in litigation
- (5) 23 Dockets in litigation
- (6) 1 Docket will remain overage - anticipate close May 98  
[Total Cost Proposal]





# Right Efficiency Termination Actions

Overage Dockets - Reasons

---

STATUS: **RED**

FY 97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

---



# Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

---

STATUS: **RED**

FY 97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

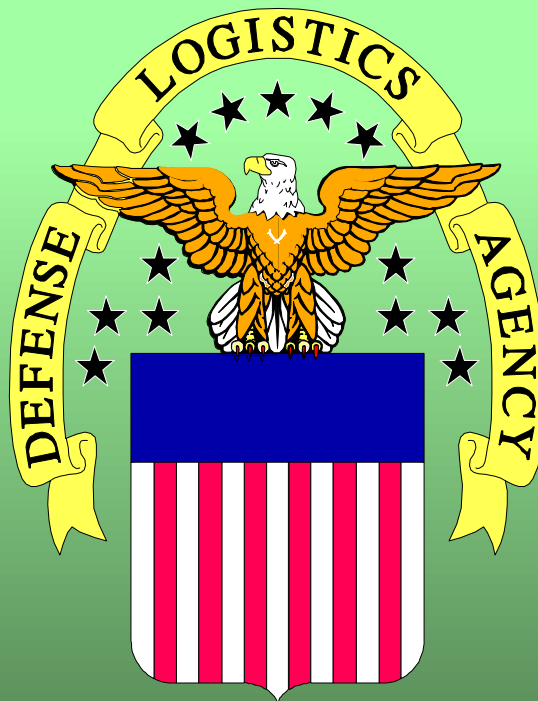
---

- Burn Down Plan
  - CAOs are committed to Burn Down Schedule
  - DCMDW will monitor progress
  - TSOs plan to meet goal by 30 Sep 97 with the exception of 3 dockets
  - Unable to schedule 40 dockets which are in litigation and bankruptcy

# DCMC

## Monthly Management Review

# HEADQUARTERS





# Mission Performance



# Mission Performance(Con't)



# Performance Improvement



# Performance Improvement(Con't)



# Performance Improvement(Con't)



# DCMC

## Monthly Management Review

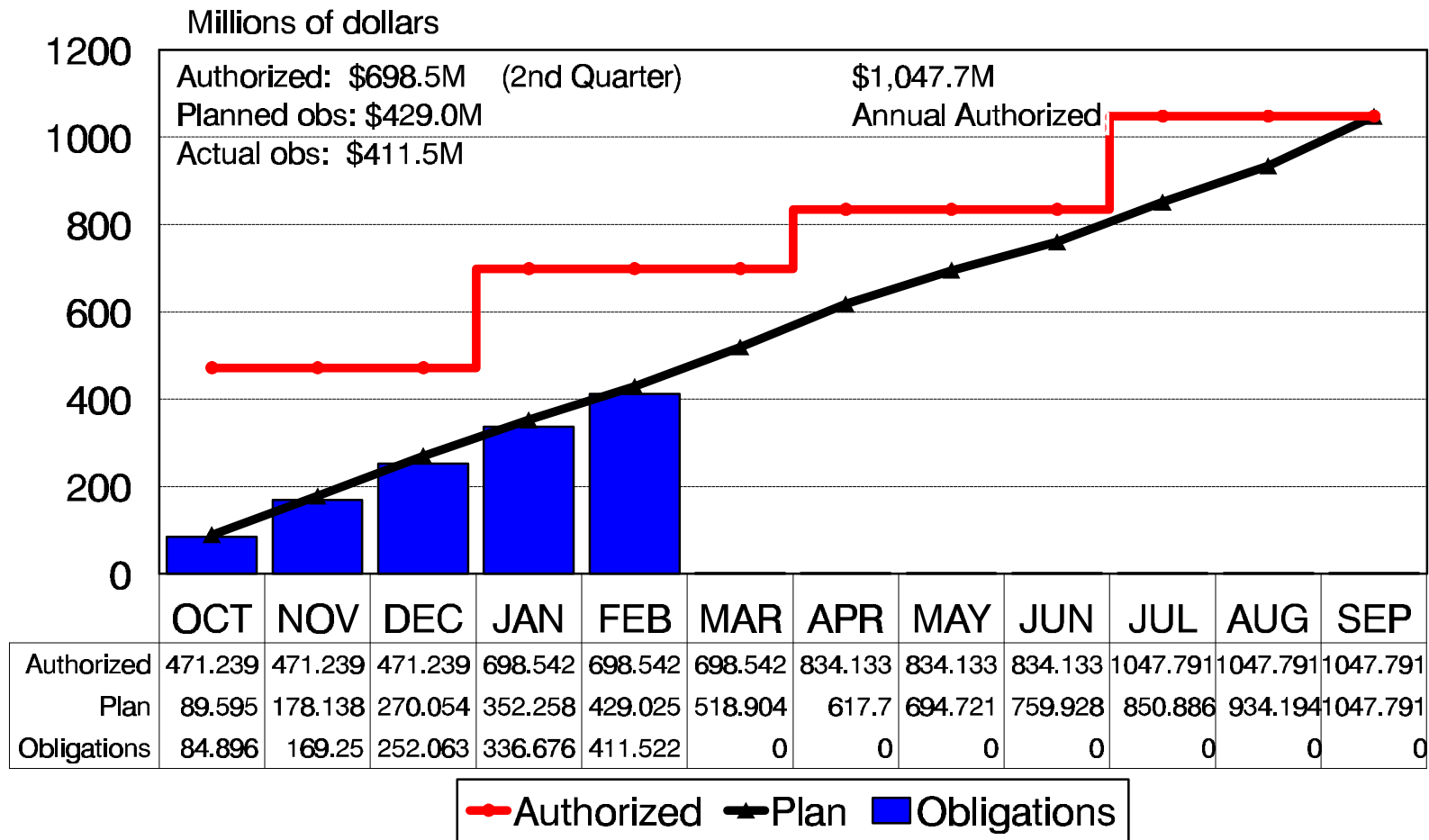
HQ AQB





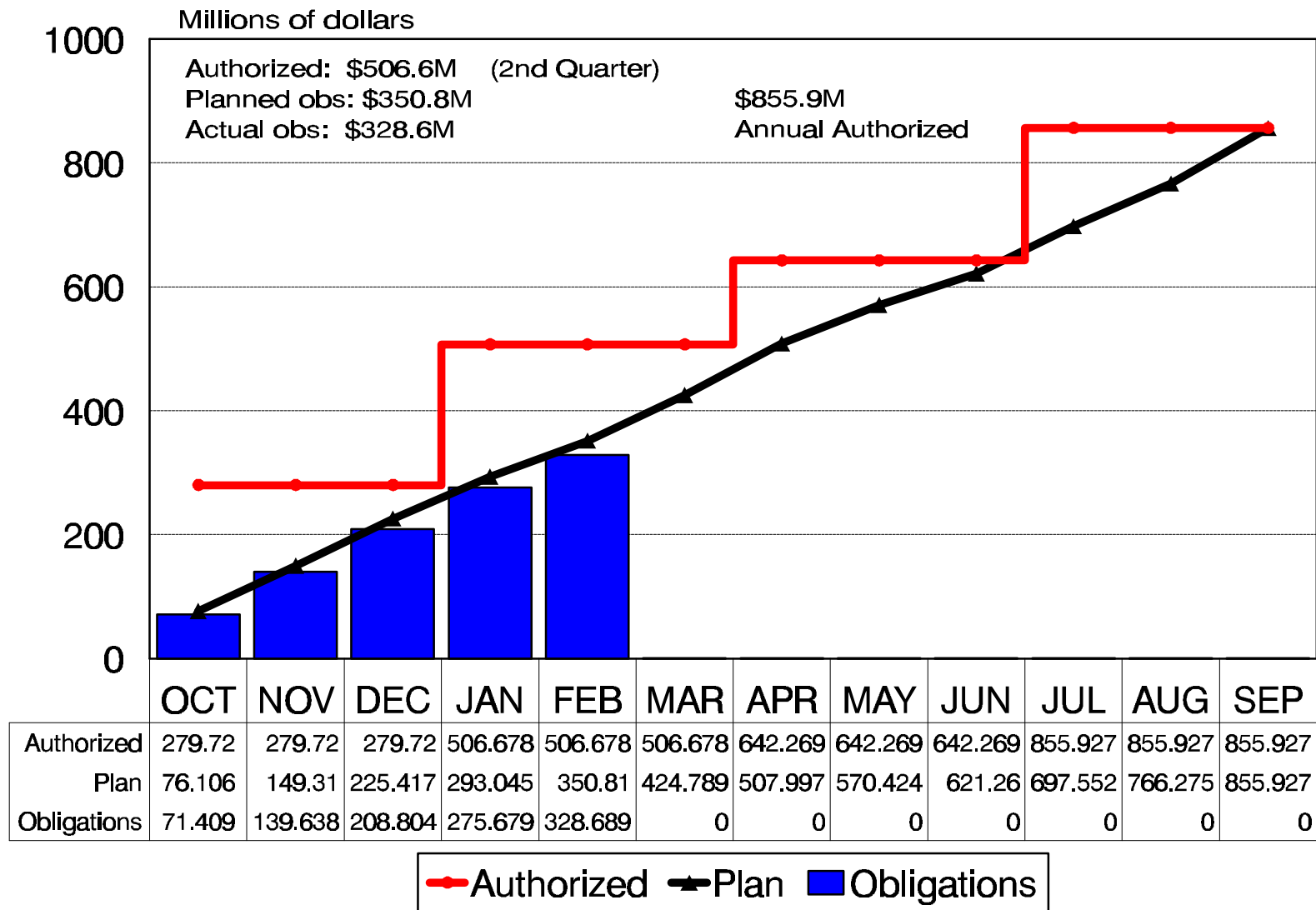
# Resource Management

# DCMC FY 97 Total Execution



Obligations/plan: 95.9%

## DCMC FY 97 Direct Execution



Obligations/plan: 93.7%



# FY 97 Budget Execution

## DCMC Direct (As of 28 Feb)

---

Status: RED (93.7%)

---

- Comments:
  - Delays in acceptances for AQ commitments causing out of tolerance condition
  - Awaiting implementation of DBOF reprogramming action to restore funds for Command priorities
  - Until funding priority adjustments are made, Monthly Obligation Plans (MOPs) may not be realistic



# FY 97 Budget Execution

## DCMC Direct (As of 28 Feb)

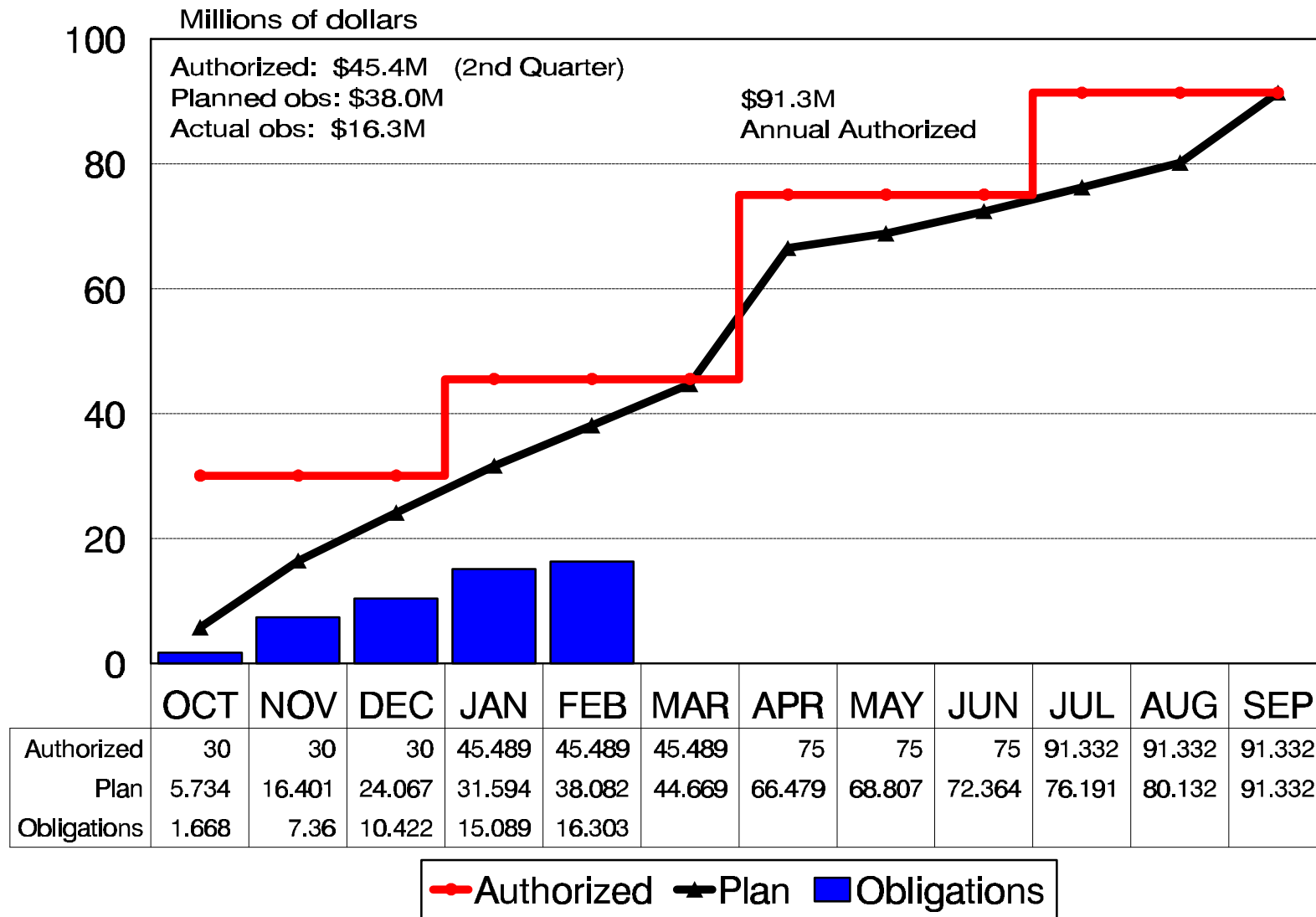
---

Status: RED (93.7%)

---

- Corrective Action:
  - New procedures have been implemented to correct lagging obligations
  - Expect to receive decision on Command funding priorities by Apr 15
  - Recommendations for mid year review adjustments will be developed at BPT on May 1-2

# HQ Direct FY 97 Execution



Obligations/plan: 42.8%



# FY 97 Budget Execution

## HQ Direct (As of 28 Feb)

---

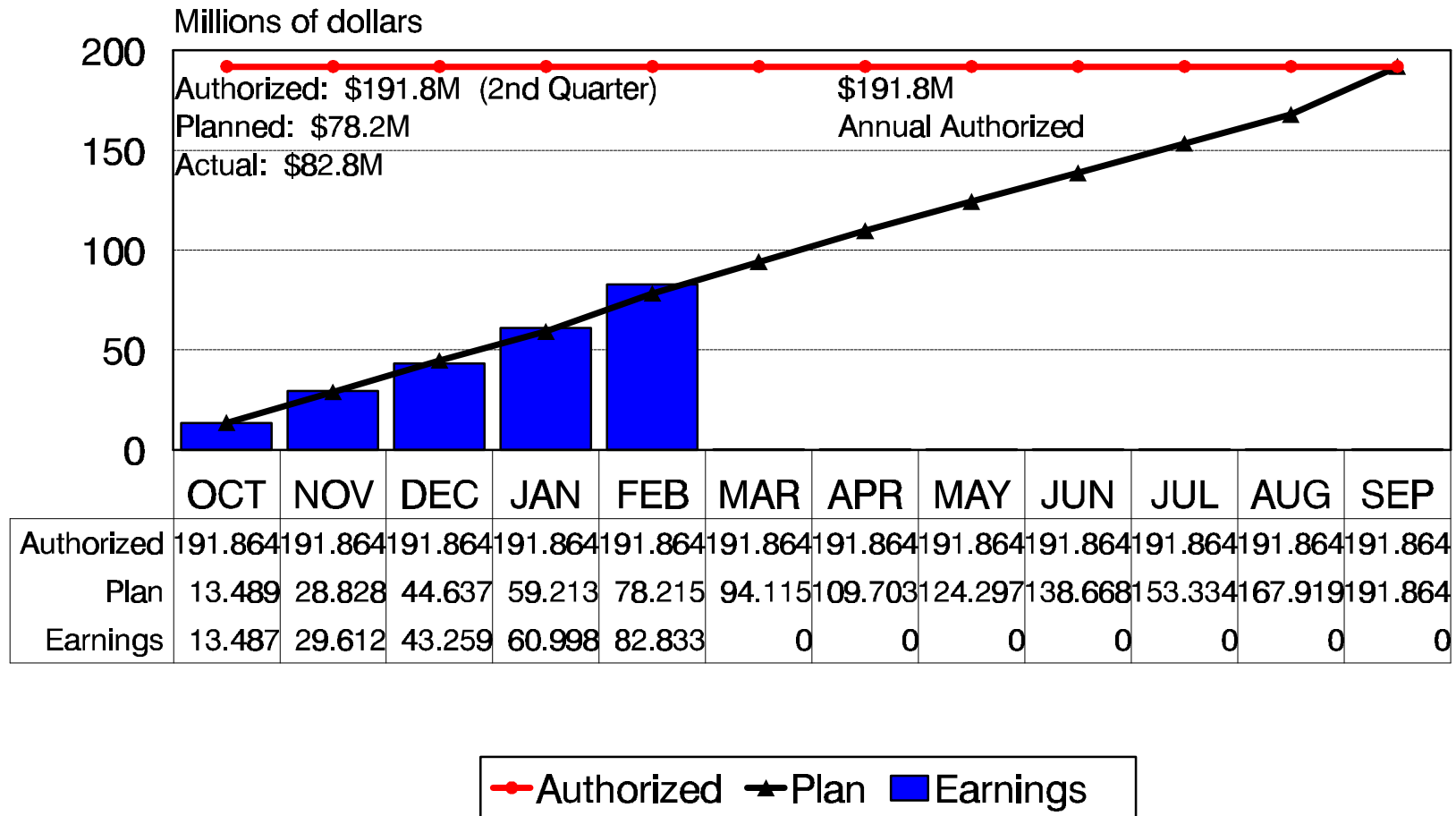
Status: RED (42.8%)

---

- Comments:
  - SPS commitments not obligated
  - Recent DFAS adjustments from previous years have “skewed” the obligation reporting for Jan & Feb
- Corrective Action:
  - Procedures are in place to correct and improve SPS commitment/obligation process; however, the backlog will take time to correct
  - Closely monitor adjustments being made
  - Correct previous year adjustment issue



# DCMC FY 97 Reimbursable Execution



Earnings/plan: 105.9%



# FY 97 Budget Execution

## DCMC Reimbursables (As of 28 Feb)

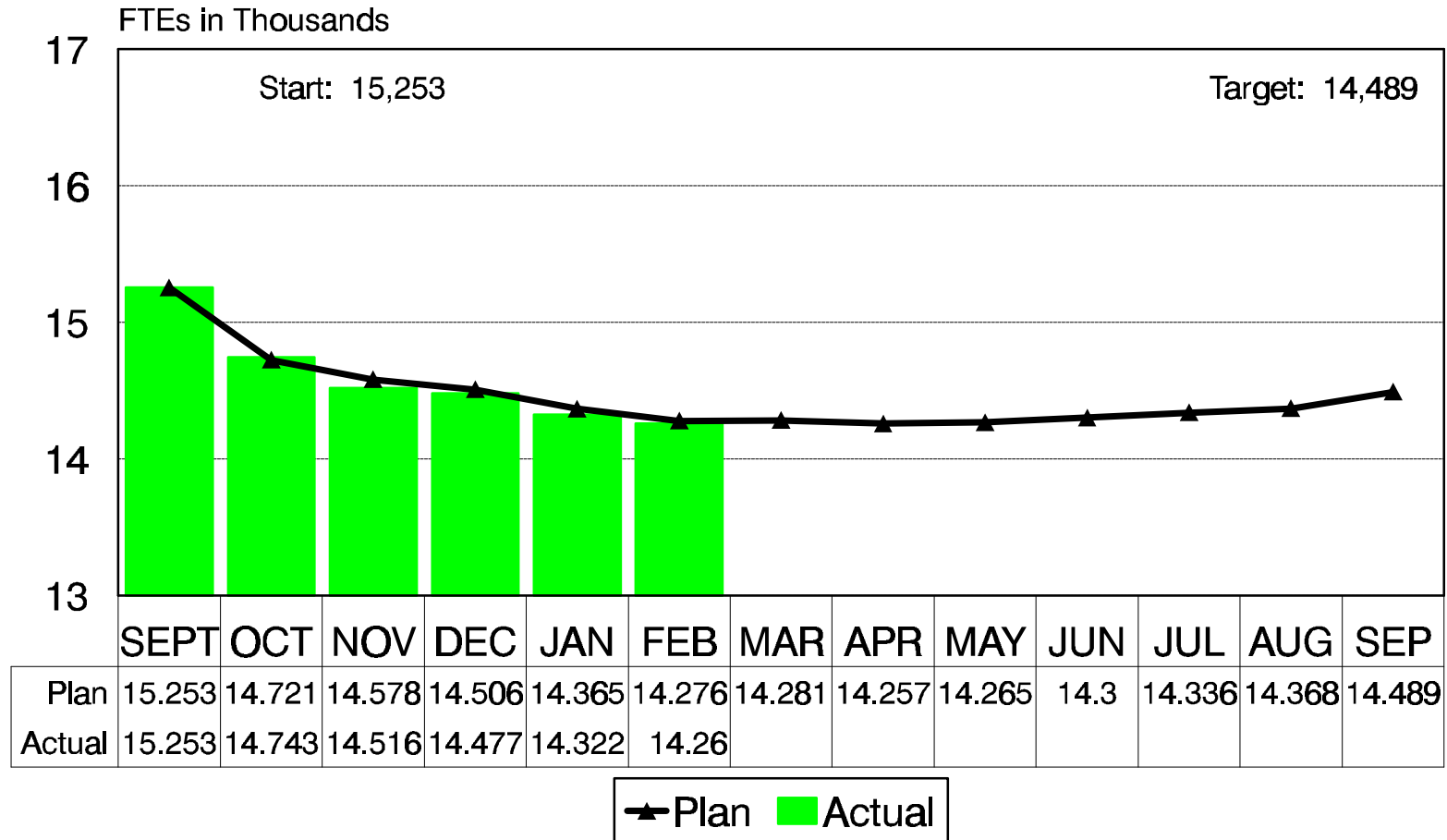
---

Status: GREEN (105.9%)

---

- Comments:
  - Actuals are \$4.6m over plan
  - Each district is over plan
  - DCMDE and DCMDW over earnings do not accrue to district, they are a corporate asset
- Corrective Action:
  - Performance plan goal to reengineer reimbursable process
  - Mid-year adjustments to reimbursable budgets

# DCMC FY 97 FTE Execution



Actual/Plan: 99.9%



# FY 97 FTE Execution

## DCMC Summary (As of 28 Feb)

---

Status: YELLOW (99.9%)

---

- Comments:
  - VERA/VSIP losses in early FY 97 are forcing aggressive hiring plans
  - As of 28 Feb, execution was 16 below planned
  - Each underexecuted FTE = 2 additional E/S by Apr 1st
  - Need plan for FTE Reserve



# FY 97 FTE Execution

## DCMC Summary (As of 28 Feb)

---

Status: YELLOW (99.9%)

---

- Corrective Action:
  - Actuals contained in FTE projection worksheets and MOPs will continue to be closely monitored during BPT/RUC/MMR reviews
  - Districts will hire temporary and summer hire/SIS employees where it makes sense

## 3.1.1-Reduce Facility Costs

**Target:** To bring offices into compliance with the DLA average of 130 sq ft per person

**Status:** Development of plan to reduce space continues. Enforcement of office compliance contingent upon approval/funding of facility moves.

**POC:** Susan Shaver, AQBF, 767-2391



# Performance Goal 3.1.1

## Reduce Facility Cost

---

Status: Red

---

- Development of plan to reduce space continues ...
- Enforcement of office compliance contingent upon approval/funding of facility moves.

## 3.1.2-Reduce the # of high grade positions.

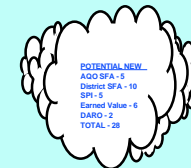
**Target:** FY97: 520

**Status:** DBMS data was provided by CAH end of Dec. Currently, DCMC is at 514 high grades which is below FY97 and 12 positions above the FY98 target.

**POC:** Sharon Tillman, AQBF, (703) 767-2436.

### PERFORMANCE GOAL 1.1.5 - HIGH GRADES

	14	15	SES	TOTAL
HO DLA	59	21	4	84
DCMDE	188	27	0	215
DCMDW	135	22	0	157
DCMDI	29	4	0	33
DARO	2	0	0	2
OTHER	17	6	0	23
TOTAL	430	80	4	514



As of: Dec 96



## PERFORMANCE GOAL 1.1.5 - HIGH GRADES

	<u>14</u>	<u>15</u>	<u>SES</u>	<u>TOTAL</u>
HQ	59	21	4	84
DCMDE	188	27	0	215
DCMDW	135	22	0	157
DCMDI	29	4	0	33
DARO	2	0	0	2
OTHER	<u>17</u>	<u>6</u>	<u>0</u>	<u>23</u>
TOTAL	430	80	4	514

### POTENTIAL NEW

AQO SFA - 5  
 District SFA - 10  
 SPI - 5  
 Earned Value - 5  
 DARO - 2  
 AQ PMR - 1  
 AQAC - 3  
 DCMDI-A - 4  
 Software Center - 8  
 Customer Liaison - ?  
**Total New - 43**

### GOAL

FY97 - 520  
 FY98 - 502

### FUTURE OPPORTUNITIES TO REDUCE

Lawyers - 49  
 Deputies - 81  
 HQ Staff - 83  
 DARO - 2  
 Other - 23  
 District Staff - 71  
 Balance at CAOs - 205  
**TOTAL - 514**

As of: Dec 96

Source: HQ Data Base (DCMCPEOP.CDB File)

## 3.1.3-Increase the civilian supervisory ratio to 13:1

**Target:** FY97 - 13 : 1

**Status:** DBMS Data was provided by CAH in December. Currently, DCMC supervisor ratio is at 12.04:1.

**POC:** Sharon Tillman, AQBA, (703) 767-2436

### **SUPERVISORY RATIO**

HQ	8.40
DCMDE	11.56
DCMDW	13.17
DCMDI	9.56
<b>TOTAL</b>	<b>12.04</b>

## PERFORMANCE GOAL 1.1.4 - SUPERVISORY RATIO

	# EMP	#SUPV	RATIO
HQ	126	15	8.40
DCMDE	6,811	589	11.56
DCMDI	430	45	9.56
DCMDW	<u>5,201</u>	<u>395</u>	<u>13.17</u>
TOTAL	12,568	1,044	12.04

### GOAL

FY97 - 13:1  
FY98 - 14:1  
FY99 - 16:1

### OPPORTUNITIES

- TAG Implementation
- Office Consolidations
- Military Billets

As of: Dec 96

Source: HQ Data Base (DCMCPEOP.CDB File)

# 5.2.1-Partnering with the Union

## PARTNERSHIP OPPORTUNITIES

**Target:** Increase the percent of organizations with Partnership agreements

**Status:** New metric to track Partnership Opportunities will be reevaluated by the DCMC Mini Partnership PAT Team. The team will commence in Jun 97 timeframe. Partial data briefed at Feb MMR.

**POC:** Vicki Paskanik, AQBF, 767-2456

- October MMR Action was to develop a Metric to quantify Partnership Opportunities
- November VTC with District Reps established the mechanisms to track Partnership Opportunities
- December LMR training for Headquarters
- February MMR, briefed new Metric (Partnership Opportunity)
- March policy letter and additional training developed
- April develop objectives for DCMC Partnership PAT

5.2.1 - Partnering with the Union						
TOTAL DCMC						
	Oct	Nov	Dec	Jan	Feb	Mar
Number of Existing Agreements:	54	54	56	60	62	61
Number of New Agreements:	0	0	4	2	1	0
Number of ULPS:	7	2	4	5	0	0
Number of Open ULPS:	5	4	7	10	7	6
Number of Grievances:	3	1	3	4	1	3
Number of Open Grievances:	2	1	3	5	4	3
Partnership Opportunities:	0	0	0	0	0	0
Number of Documents:	1	2	3	5	5	4
Union Response to Documents:	0	0	1	0	3	1
Number of Conferences:	0	0	1	0	1	2
Union Response to Conferences:	0	0	0	0	0	2
Number of Courtesy Copies:	23	36	5	1	10	6
Union Response to Courtesy Copies:	0	0	0	0	0	0
Number of Meetings:	6	5	2	8	1	8
Union Response to Meetings:	0	0	0	0	0	1
Other:	2	2	3	12	1	3
Union Response to Other:	0	0	0	0	0	0

# **Benefits Tracking**

- Efforts in these categories:**

- **Increase Partnership Agreements with the Union**
- **Improve Communications**

- To determine our progress in becoming the model for management and employee partnership**

- Measure the following:**

- **Number of Partnership Opportunities**
- **Number of new agreements**
- **Track Decrease in the Number of ULP and Grievances**

# **PARTNERSHIP OPPORTUNITIES**

- **October MMR Action was to develop a Metric to quantify Partnership Opportunities**
- **November VTC with District Reps established the mechanisms to track Partnership Opportunities**
- **December LMR training for Headquarters**
- **February MMR, briefed new Metric (Partnership Opportunity)**
- **March policy letter and additional training developed**
- **April develop objectives for DCMC Partnership PAT**

## **Performance Goal 5.2.1 - Partnering with the Union**

- STATUS: YELLOW**

- The current Organization / Structure of the Partnership Council does not support the volume of information provided to the Union by DCMC**
- AQB met with Union President to address potential solutions**
- Proposed resolution:**
  - A PAT of DLA / Union Officials will develop an alternative approach**

## **Performance Goal 5.2.1 - Partnering with the Union**



# DCMC

## Monthly Management Review

HQ AQO



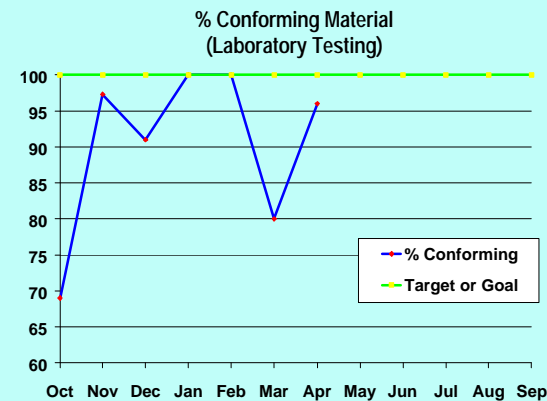
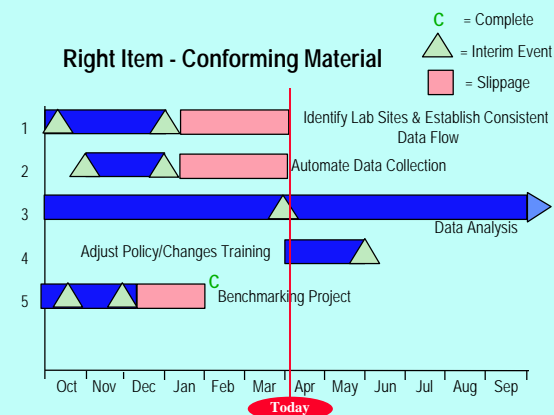
# 1.2.1-Right Item - % Conforming Material

**Target:** Increase by 5 points, from the FY 96 baseline, the percentage of DCMC inspected or accepted serviceable/issuable material. Material usability determinations will be made by Lab Testing conducted by Military Services/ Defense Agencies. will be made by Lab Testing conducted by Military Services/Defense Agencies. Increase by 5 points, from the FY 96 baseline, the percentage of DCMC inspected or accepted serviceable/issuable material. Material usability determinations will be made by Lab Testing conducted by Military Services/Defense Agencies.

**Status:** 04 Apr 97: 7th DATA POINT - Ogden, Watervilet, DSCR and DSCC provided data. Total tested = 182 Total useable = 175. The conforming material rate is  $175/182 = 96\%$

DISC did not provide test data.

**POC:** Ms. Georgeanna M. Adams, primary, AQOG, 767-2367. Mr. John Childers, secondary, AQOG, 767-2366





# Right ITEM

## % Conforming Items

---

Status: NR

---

- DATA COLLECTION:
  - DLA ICP single approach
    - Issue policy letter
  - PQDRs not issued
    - Provide rationale
    - Identify business unit POC



# Right ITEM

## % Conforming Items

---

Status: NR

---

- Potential Data Source
  - Naval Materiel Quality Assessment Office
  - Know-the-Flow Concept

# 1.2.1.4-Right Item: Software Recommendations Adopted

**Target:** 30 Sep 97: 65% of DCMC software comments are made prior to coding and unit testing phase and 30% of these comments are adopted.

**Status:** 11 Apr 97: Yellow

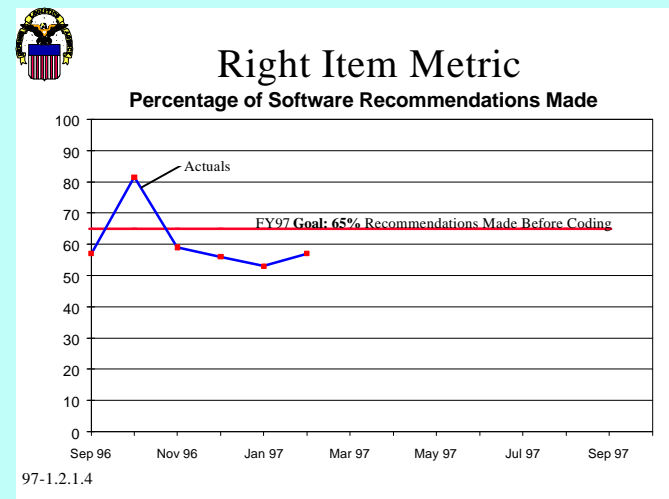
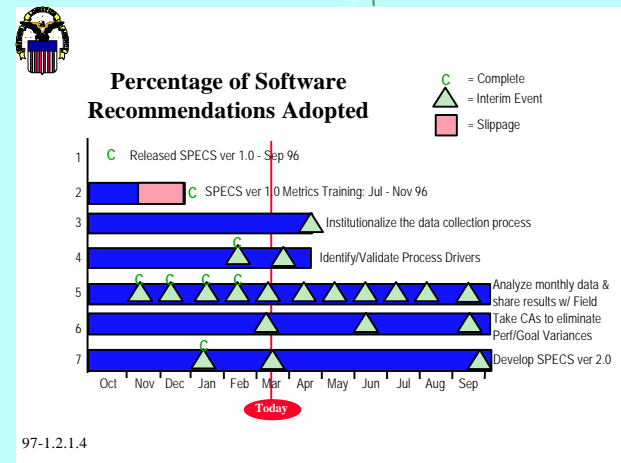
FY97 Actuals:

Recommendations Made: 57%  
Goal: 65%

Recommendations Adopted: 69%  
Goal: 30%

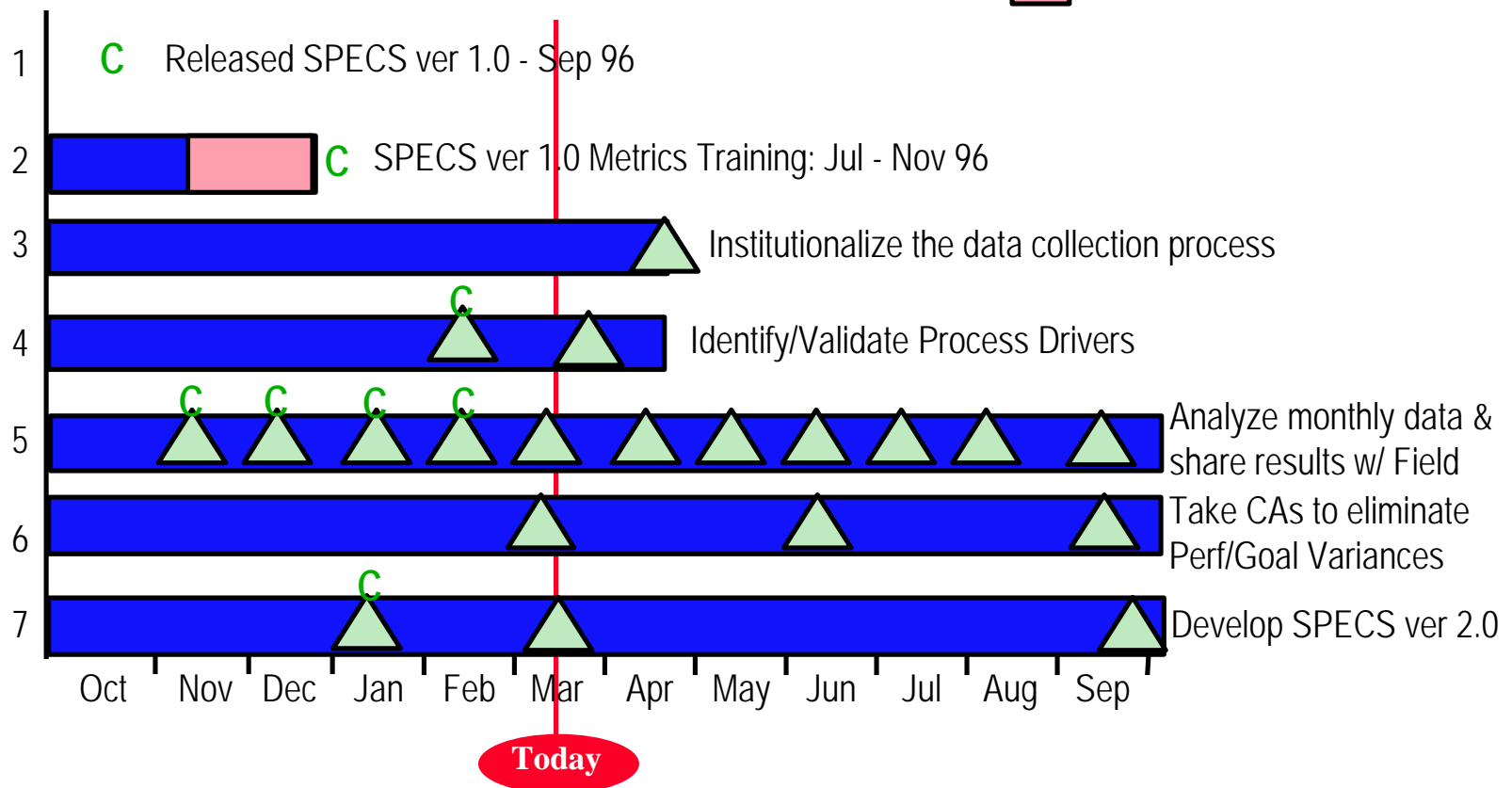
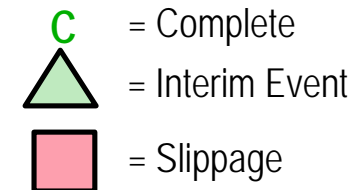
**POC:** Product Design, Development & Control Team, AQOF, Amir TarMohamed, (703) 767-3350.

Alternate: Kevin Holt,(703)7673356





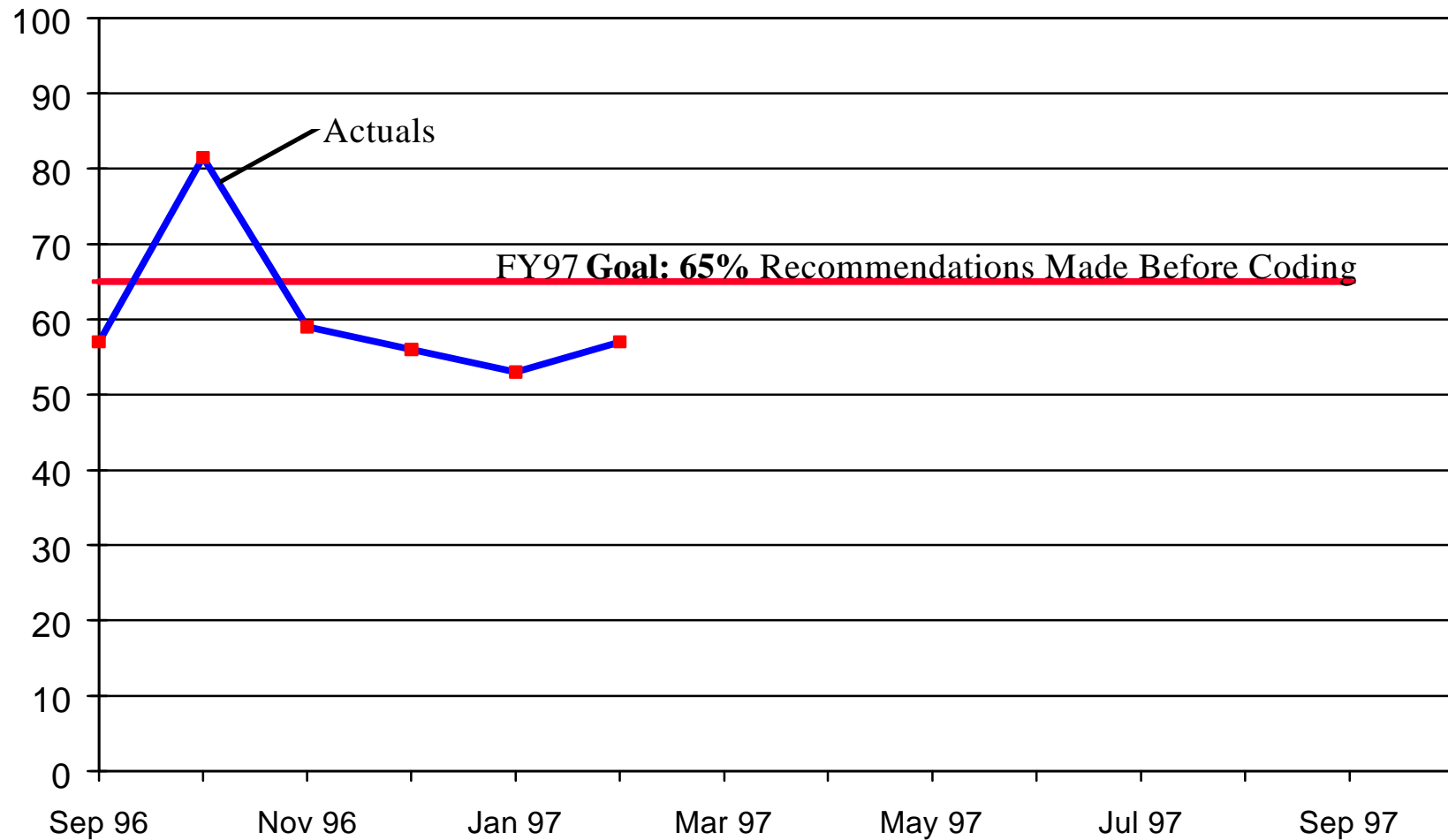
## Percentage of Software Recommendations Adopted





# Right Item Metric

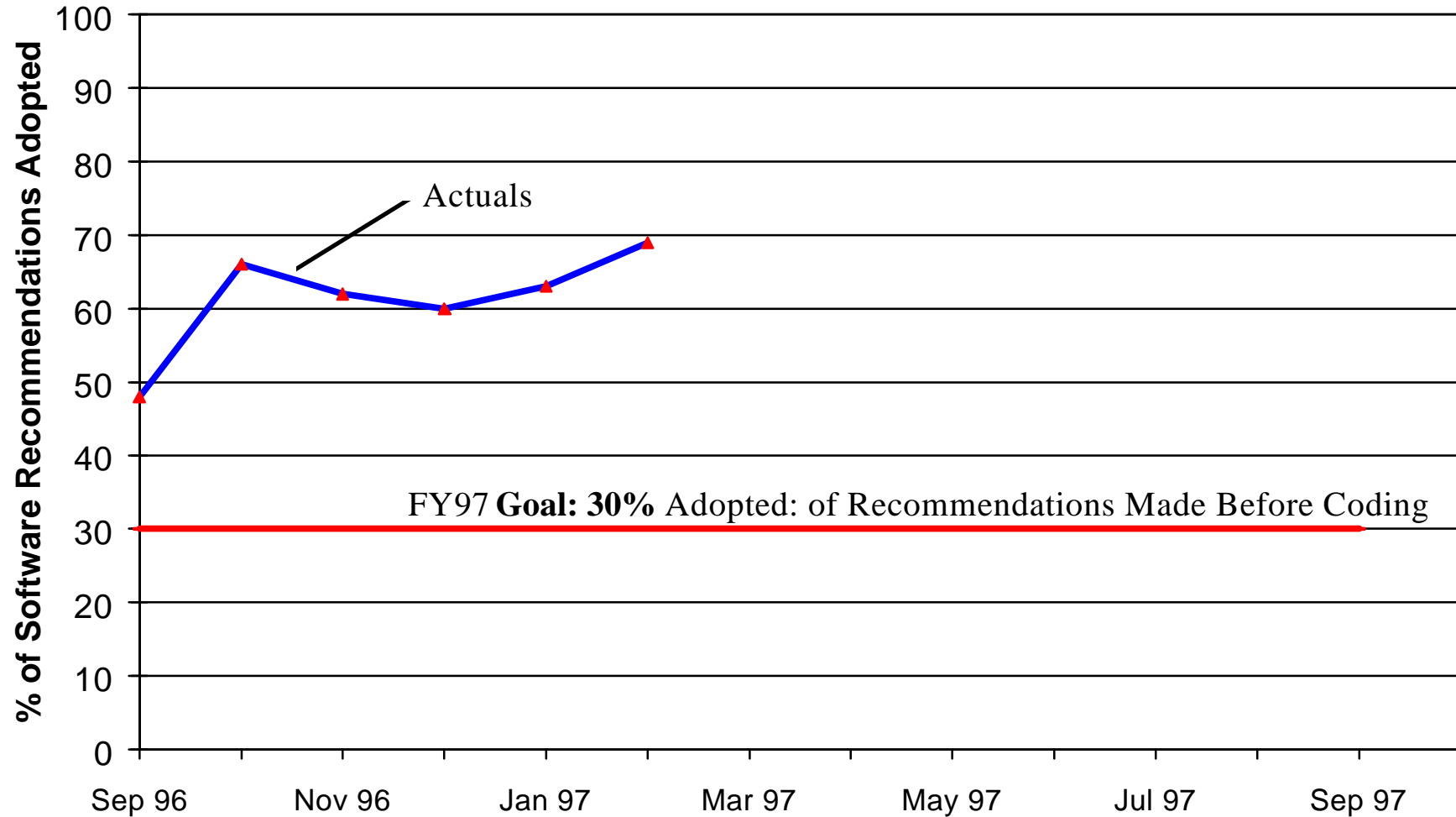
## Percentage of Software Recommendations Made





# Right Item Metric

## Percentage of Software Recommendations Adopted







# Right Item Metric

## Percentage of Software Recommendations Adopted

---

**Status: Yellow**

---

- **Goal of 65% recommendations made prior to Code & Unit Test Phase may be unattainable for some CAOs**

CAOs where majority of the Contractors' software development efforts are in and beyond Code & Unit Test will not, by definition, be able to meet metric goal.

- **Districts continuing to work with CAOs having problems with the use of SPECS**

97-1.2.1.4

# 1.2.1.2-Right Time: Class I ECP Cycle Time

**Target:** TBD

**Status:** 12 Mar 97 - Status: Yellow

Trend: 12 Month Trend is Up

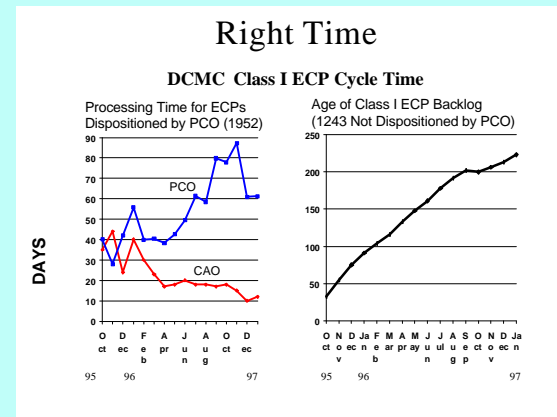
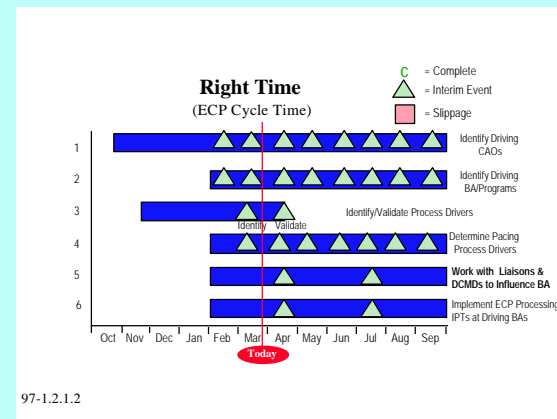
Cycle time for Jan 97 is 61 days.

Back log Age Trend is Up. Makes  
Cycle Time Artificially low.

Backlog brings cycle time to 124  
days.

Backlog includes dispositioned  
ECPs not yet closed in database.  
63% of all ECPs in DB are closed.

**POC:** Aristides Maldonado (AQOF), (703)  
767-3355



# Right Time

## DCMC Class I ECP Cycle Time

Processing Time for ECPs  
Dispositioned by PCO

Age of Class I ECP Backlog  
(1305 Not Dispositioned by PCO)

Last Month's  
PCO Data

PCO

CAO

DAYS

95

96

97

95

96

97

# Right Time

OPEN ECPs

# Right Time

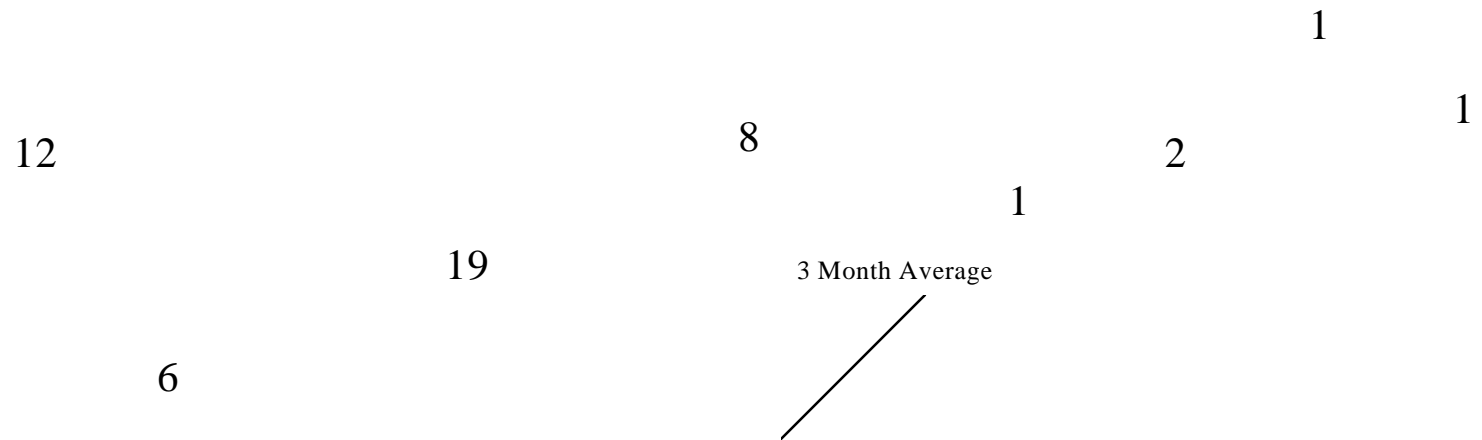
OPEN ECPs

# Right Time

**CAOs with the Most Days Dec 96 - Feb 97  
(8 CAOs had 70% of the days)**

3 MO. AVE.  
/

# Right Time





# Right Time

## Class I ECP Cycle Time

---

Status: Green

---

- Trend: 12 Month Trend is Up  
6 Month Trend is Down
- Data Maturity
  - Recent 5 months of averages not stable
  - Cycle time for Feb 97 is 44 days (probably higher)
  - Backlog Age Trend is Up.
    - Makes Cycle Time Artificially low.
    - Including Backlog Brings 12 month cycle time to 122 days.
  - Analysis indicates we need to concentrate on Programs first
    - Then identify CAO with Management Council responsibility



# 1.2.3-Right Price: Overage UCAs On-Hand

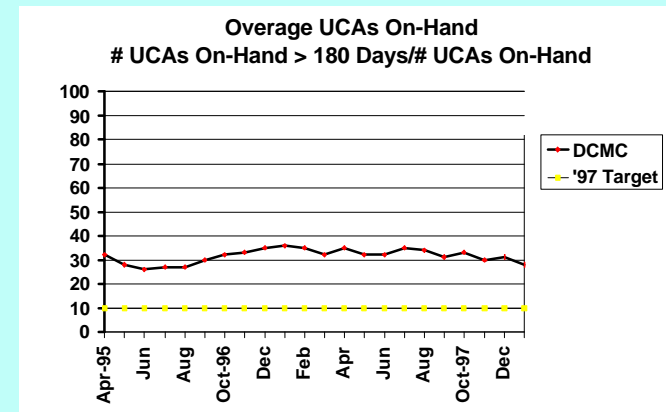
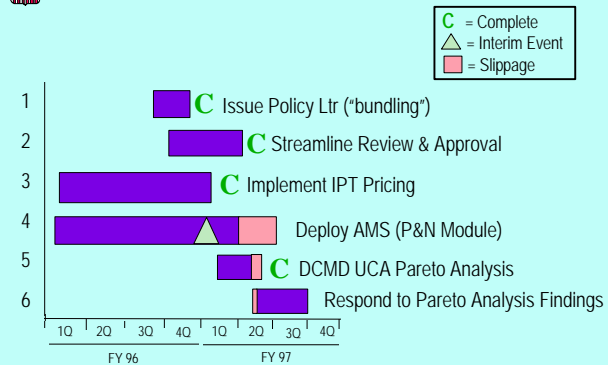
**Target:** 10% or less of UCAs On-Hand Overage

**Status:** MAR UPDATE: DCMD  
Pareto Analyses Complete  
...Analysis thereof in ITS Chart  
Pages...Process Drivers  
Revised...Presently project 21%  
overage rate by end of FY 97--  
Details on Chart Pages... Working  
on Letter and Web Pages about  
UCA Definitization.

**POC:** Dave Ricci, AQOD, 703.767.3376



## Action Plan for UCAs





# Right Price



# Right Price

## Overage UCAs On-Hand

---

Status: Red

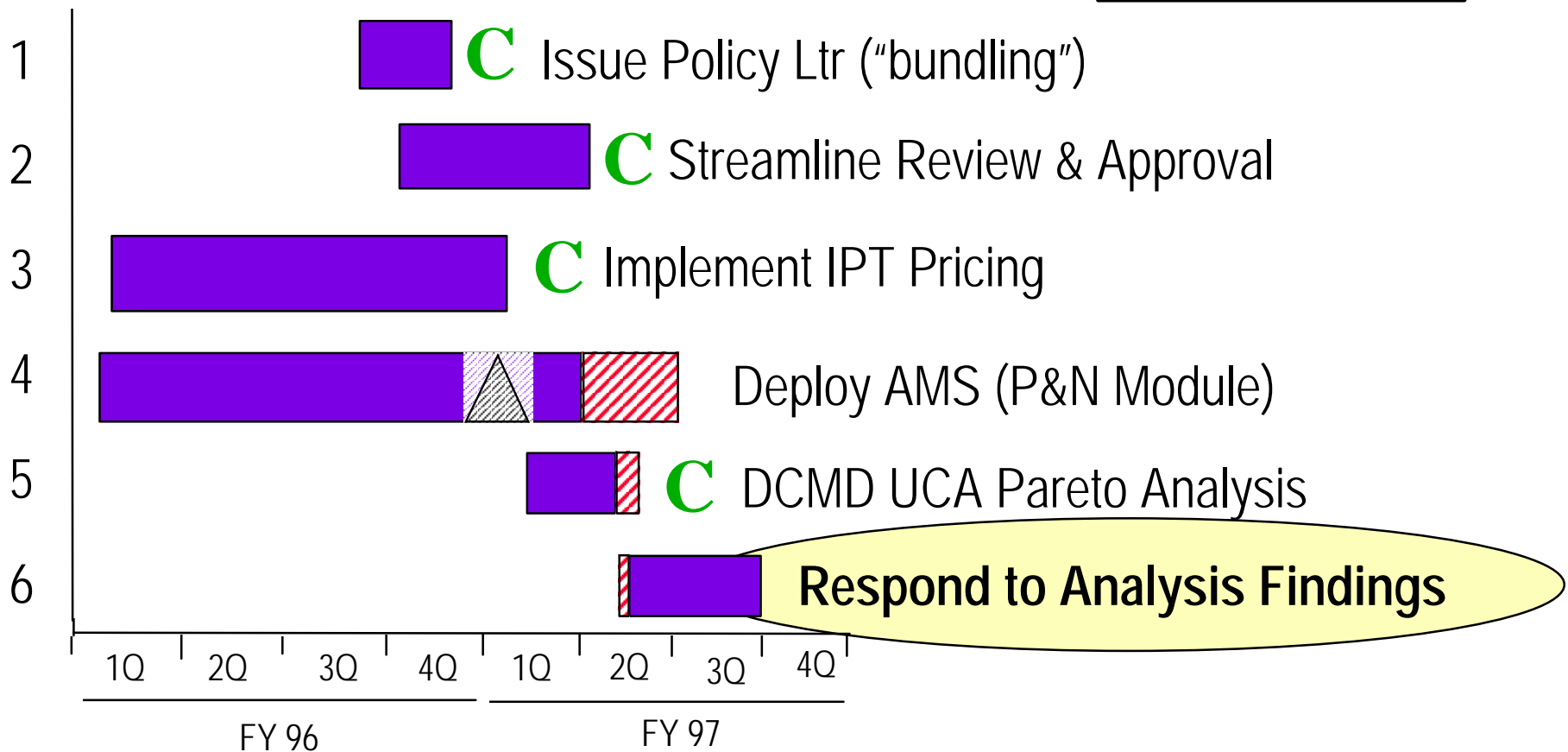
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- For Feb, percentage of overage UCAs on-hand remained at 28% (18 month low).
- Number of overage UCAs on-hand declined for seventh straight month--setting an all-time\* low in each of the past four months. Over a 25% reduction so far this year!
- Total backlog also essentially at all-time\* low.
- Consistent with our projections.



# Action Plan for UCAs

**C** = Complete  
▲ = Interim Event  
▨ = Slippage





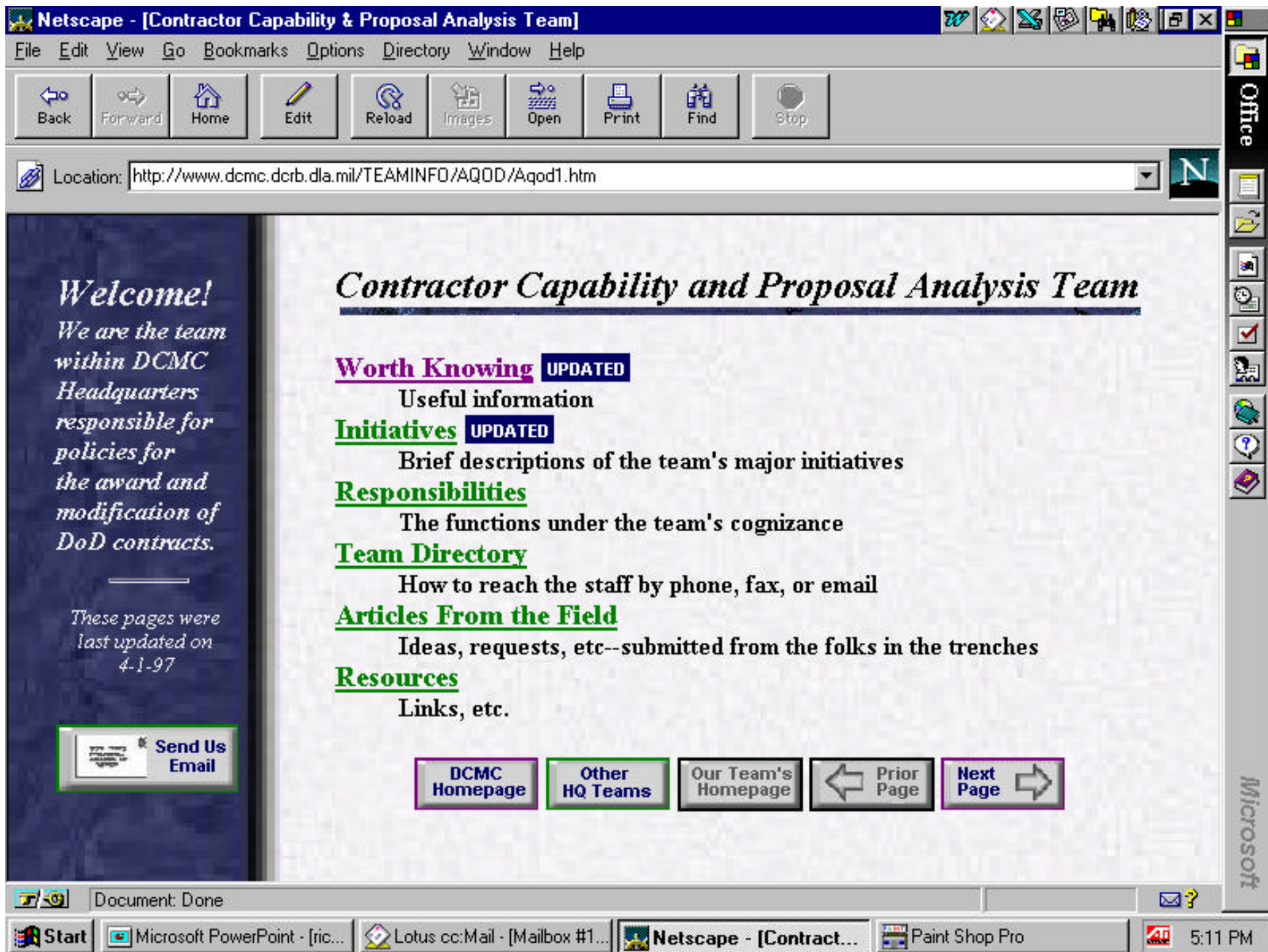
# Right Price

## Overage UCAs On-Hand

Shared the District Process Driver Review results and plan of action with the CAOs through...

- DCMC Information Memorandum 97-33, Undefined Contractual Actions, March 26, 1997 and
- A Series of Webpages from our Team's Homepage.

Both Stress Use of  
Management  
Councils





Netscape - [Process Drivers for UCAs]

File Edit View Go Bookmarks Options Directory Window Help

Back Forward Home Edit Reload Images Open Print Find Stop

Location: <http://www.dcmc.dcrb.dla.mil/TEAMINFO/AQOD/ucatemp/ucapd.htm>

## Process Drivers for DCMC UCAs

The Districts visited 10 CAOs that accounted for about 40% of the total overage UCAs in DCMC and also about 40% of the dollars. They reviewed the files for 260 overage UCAs. The review resulted in the Pareto Analysis shown below.

It wasn't even close. The "driver" for 146 (56%) of the UCAs reviewed was late receipt of a qualifying proposal from the contractor. For perspective, the second most frequent cause, insufficient funds for definitization, was a factor in only 16% of the UCAs. [Like Numbers? The detail is here.](#)

"Late proposals" was the only factor found consistently among the 10 CAOs; it was a factor at every CAO visited and the chief reason at 60% of the CAOs. Importantly, all of the other top drivers were largely linked with a particular office (e.g., 55% of the UCAs late due to insufficient funding were at one CAO, 55% of those late due to "awaiting repairables" were at another CAO, and 75% of those late because negotiations were thwarted by a particular rate or factor were also at a single CAO). So [the plan is...](#)

Process Driver	Percentage
Late Proposal	56%
Insufficient Funding	16%
Awaiting Repairables	16%
A Specific Rate or Factor	16%
Buying Office Action Req'd	16%
Other/Misc.	16%

Document: Done

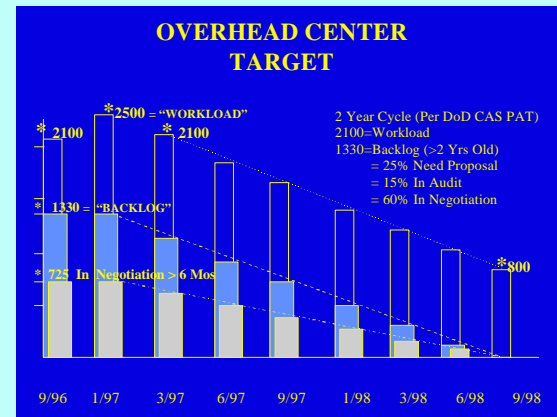
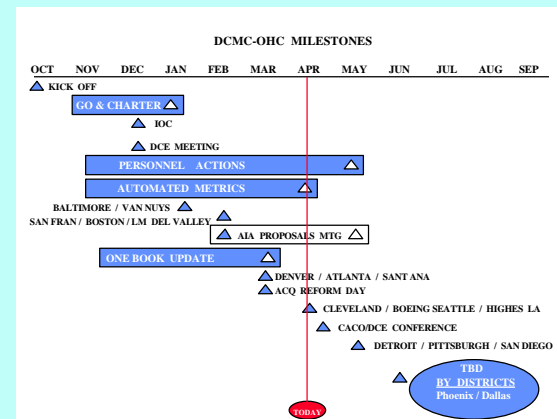
Start Microsoft PowerPoi... Lotus cc:Mail - [Mail... Exploring - Mmr Netscape - [Pro... Paint Shop Pro 5:23 PM

# 1.3.1.2x-Reduce open overhead negotiations

**Target:** Average two years per location-(800yrs)

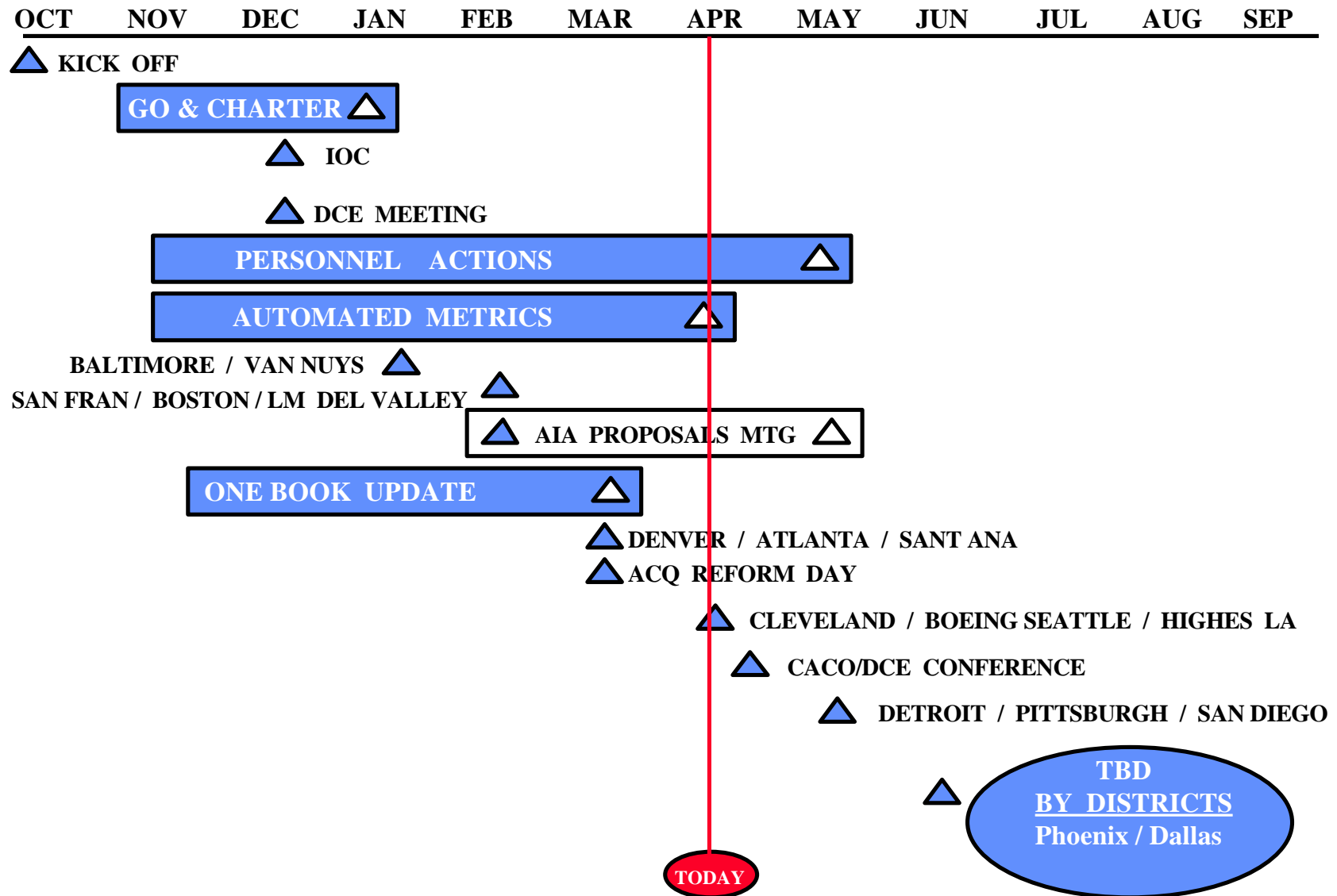
**Status:** The Sept. 96 backlog is 2113 years. While the 97 plan has a goal of 800 we don't expect to be able to reach it until FY98 .(was the original goal)

**POC:** Glenn Gulden,AQOK, 767-3406





## DCMC-OHC MILESTONES

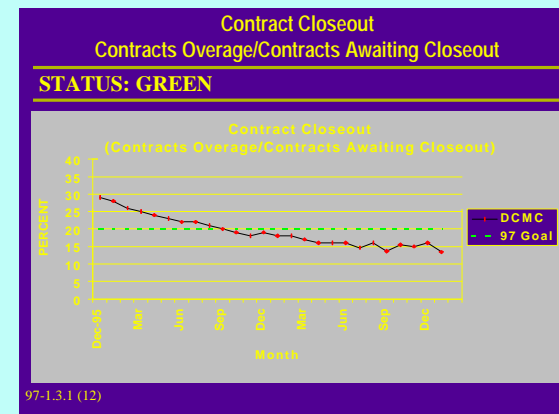


# 1.3.1-Right Efficiency: Contract Close-out

**Target:** Maintain a performance goal of not more than 20% of overage contracts w/out canceling funds.

**Status:** 14 MAR status: GREEN. As of 18 Feb the performance goal for overage contracts without canceling funds is GREEN at 13.4%. Canceling funds metric has been established and are located under next initiative in ITS (1.3.1-xRight Efficiency: Contract Closeout, Canceling Funds).

**POC:** Primary POC: STEPHANIE STROHBECK (AQOE) - 767-3445



# UNRECONCILABLE CONTRACTS

- DFAS identified 57 contracts as candidates for contract closeout using the Negotiated Reconciliation Process.
- These 57 contracts and the Negotiated Reconciliation Process were detailed in AQOE letter dated Oct 25, 1996.
- Status requested by Districts at MMR

DCMC

## UNRECONCILABLE CONTRACTS

### SPECIAL TOPIC

FY97 Goal: Close By APR 97

<u>CAO</u>	<u># Contracts</u>	<u>Closed*</u>	<u>Transferred **</u>	<u>Given Back</u>	<u>Balance</u>
DCMC	57	16	1	10	30
DCMDE	26	7	1	8	10
DCMDW	31	9		2	20
DCMDI	N/A-----				

\* 4 contracts were in active status and should not have been on list  
(3 DCMDE, 1 DCMDW)

\*\* DCMDE: 1 transferred to correct payment office (MICOM)

# 1.3.1-xRight Efficiency: Contract Closeout, Canceling Funds (cont.)

**Target:** Maintain performance goals of zero funds canceling at the end of FY 97 for active, closed and overage contracts w/canceling funds and as close to zero funds canceling at the end of FY 97 for dormant and DFAS adjustment contracts w/ canceling funds.

**Status:** 14 MAR Status: Overall rating is RED. Measures to track canceling funds have been established. Step goal deemed appropriate. Letters to DCMC CAOs and Liaisons, Customers and DFAS sent. Process drivers identified, but need further verification. Automation of data collection is a MUST.

**POC:** Primary POC: STEPHANIE STROHBECK (AQOE) - 767-3445

Contracts With FY 97  
Canceling Funds - Total (Sections 1 - 4)

---

**STATUS: RED**

---

M\$

# Contracts With FY 97 Canceling Funds - Total (Sections 1 - 4)

**Top 5 Pacing CAOs**

Feb 97

Sections 1-4

\$

# Contracts With FY 97 Canceling Funds - Active Contracts (Section 1)

M\$



# Contracts With FY 97 Canceling Funds - Active Contracts (Section 1)

**Top 5 Pacing CAOs**

Feb 97

Section 1

\$

# Contracts With FY 97 Canceling Funds - Complete Contracts (Section 2)

M\$

# Contracts With FY 97 Canceling Funds - Complete Contracts (Section 2)

**Top 5 Pacing CAOs**

Feb 97

Section 2

\$

# Contracts With FY 97 Canceling Funds - Dormant Contracts (Section 3)

M\$

# Contracts With FY 97 Canceling Funds - Dormant Contracts

(Section 3)  
Top 5 Pacing CAOs

Feb 97

Section 3

\$

# Contracts With FY 97 Canceling Funds - DFAS Adjustments (Section 4)

M\$

# Contracts With FY 97 Canceling Funds - DFAS Adjustments (Section 4)

**Top 5 Pacing CAOs**

Feb 97

Section 4

\$

# 1.3.1.2-Terminations

**Target:** Close all dockets over 2 years old prior to end of FY97

**Status:** April update: Red.

- Policy letter 97-21 issued Feb 7, 1997.
- Business Plan revised Feb.
- Guidebook under revision.
- District burn down plans in process.
- Inquiries due 4-18-97 on dockets in litigation, that have canceling funds, or delayed plant clearance cases.

**POC:** Kevin Koch, AQOE, 703-767-6398

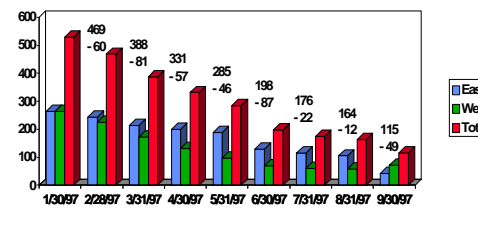


## Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

STATUS: **RED**

FY97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95



## Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

STATUS: **RED**

FY 97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

- AQOE Actions Taken To Assist
  - Requested Districts To Identify Overage Dockets
    - In Litigation
    - With Canceled Funds
    - With Funds Canceling in FY97
    - Amount of New Procurement Funds Needed
    - Plant Clearance Issues
- Preliminary Results Due April 18



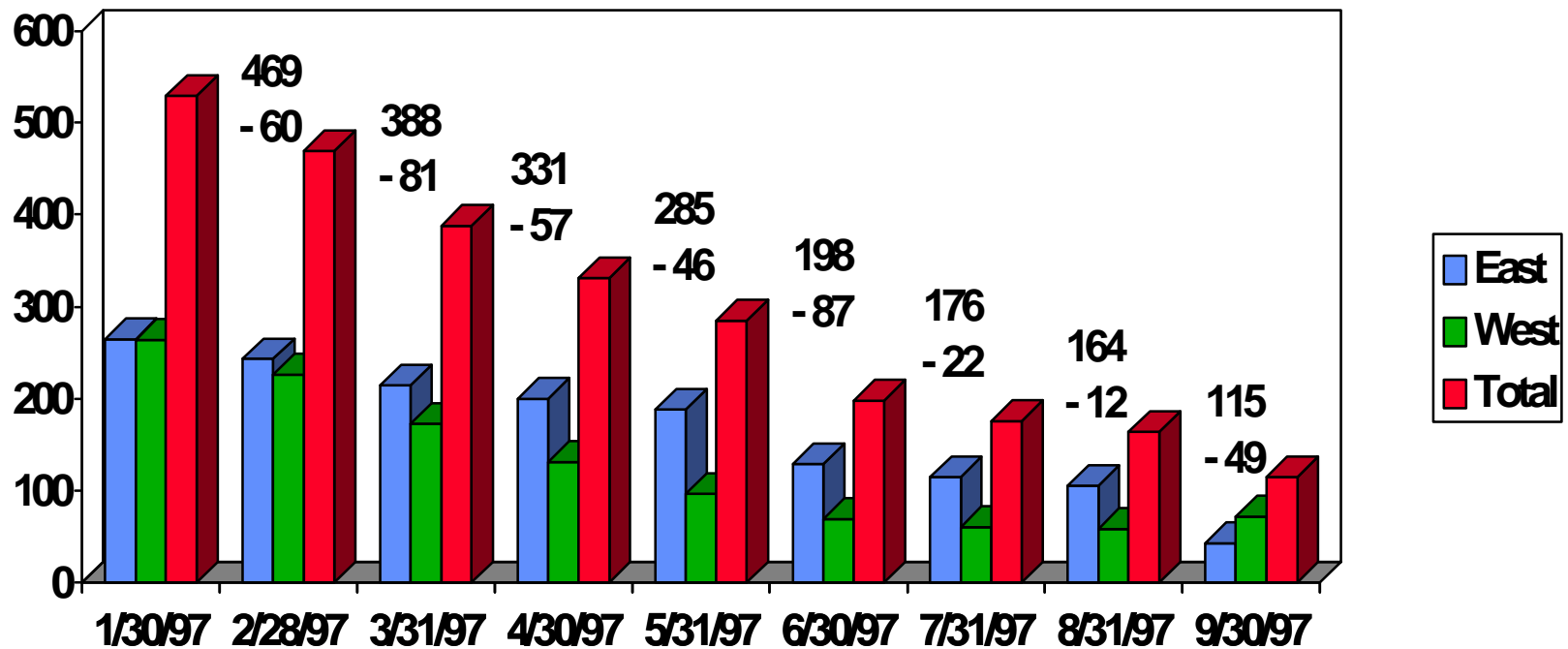


# Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

STATUS: **RED**

FY97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95





# Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

---

STATUS: **RED**

FY 97 Goal: Zero Dockets with  
Termination Date prior to 1/1/95

---

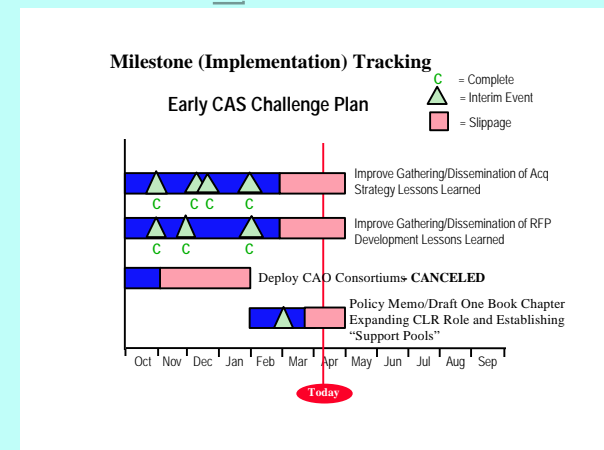
- AQOE Actions Taken To Assist
  - Requested Districts To Identify Overage Dockets
    - In Litigation
    - With Canceled Funds
    - With Funds Canceling in FY97
    - Amount of New Procurement Funds Needed
    - Plant Clearance Issues
- Preliminary Results Due April 18

# 1.1.1-Early CAS Challenge: ASP & RFP Participation

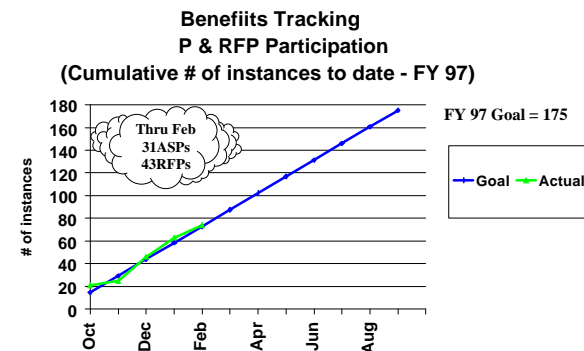
**Target:** 20% Increase in ASP and RFP review actions compared to FY96 baseline (FY 97 goal = 175). 10% increase in repeat business (ASPs and RFPs) compared to FY96 baseline (FY 97 goal = 115).

**Status:** 31 Mar 97 Update: CAO Early CAS POCs conducted acquisition lessons learned interviews of CAO leadership/key personnel during March. Consolidated CAO responses forwarded to HQ for review and report-out during month of April. Draft memo establishing improved

**POC:**Primary: David James, AQOD, 767-3378 Alternate: Nelson Cahill, AQOD, 767-3434





## Right Advice

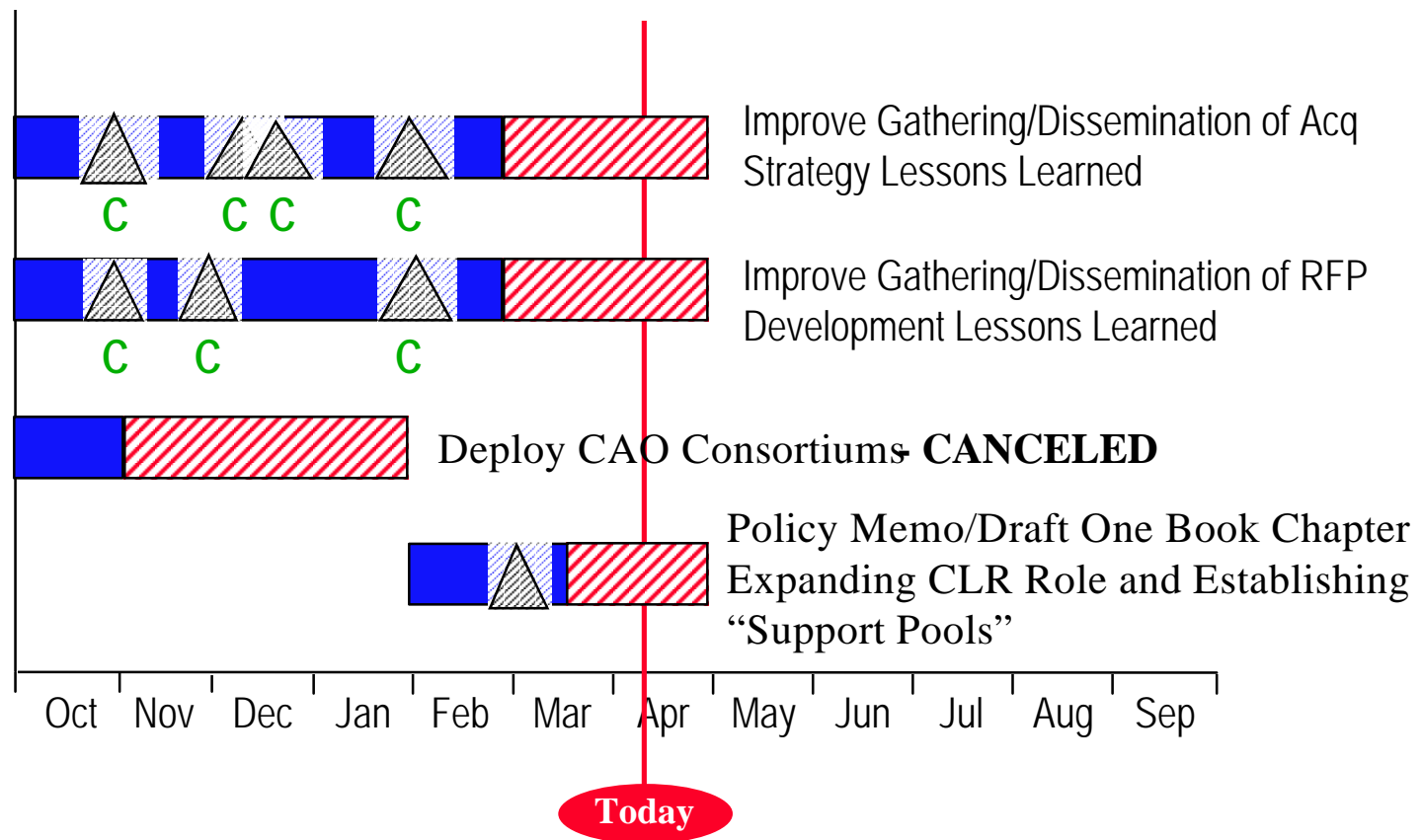


97-1.1.1.1

# Milestone (Implementation) Tracking

## Early CAS Challenge Plan

- C** = Complete
-  = Interim Event
-  = Slippage



## 2.3.3- Benchmark the Distributed Computing Process

**Target:** Complete the Distributed Computing benchmarking project. Benchmarking of DCMC processes should yield major improvements to those processes by identifying the best method (or benchmark) for performing the process in the Command, and when the determination has been made to do external benchmarking, a best method for performing the process country/worldwide

**Status:** Status: 14 Mar update. Overall rating is Red. The Distributed Computing Team began its project at the end of August. The final project completion date will slip from 1 April to 31 May 1997

**POC:**Performance Goal - Primary: Stephanie Strohbeck, AQOE.  
Secondary: John Glover, AQBC.

# 5.1.1.6-Right Talent: Software Professional Development Program (SPDP)

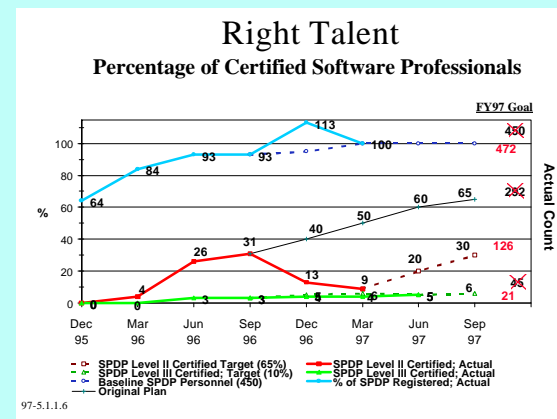
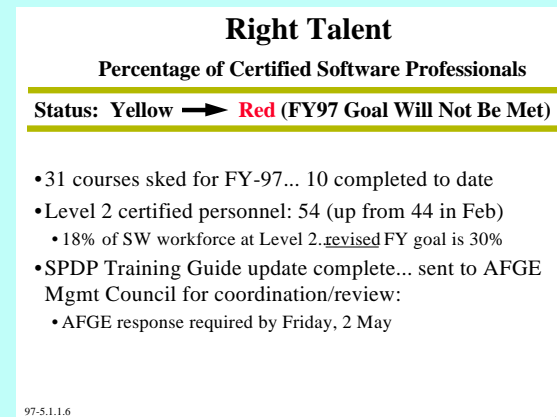
**Target:** 30 Sep 97: 5% of SPDP registered personnel are certified at Level III and 30% are certified at Level II. Baseline: 472 DCMC personnel identified in Feb/Mar 97 SPDP program review.

**Status:** RED:

10 March 97: FY-97 Course Schedule completed, and being executed by Lead Agent.

Target goals for FY-97 will not be met... new targets are 30% Level 2 / 5% Level 3 certified employees by Oct 1, 97.

**POC:** Product Design, Development & Control Team, AQOF, Cmdr Jim Seveney, (703) 767-3358.



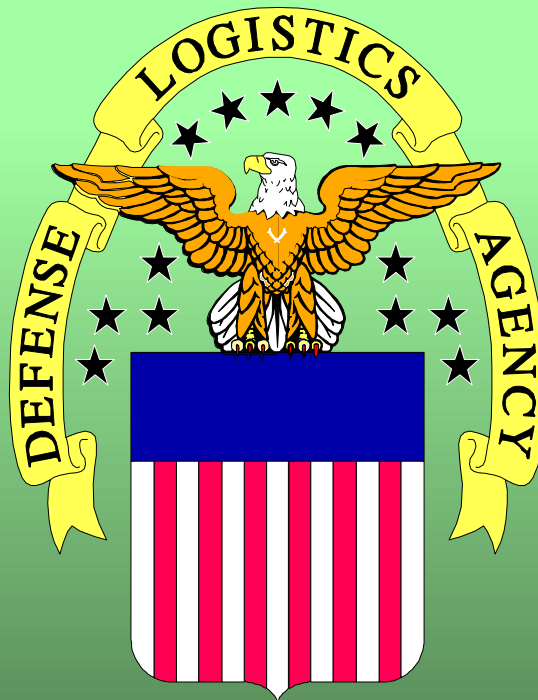


# Performance Goal 2.1.6 - IRM

# DCMC

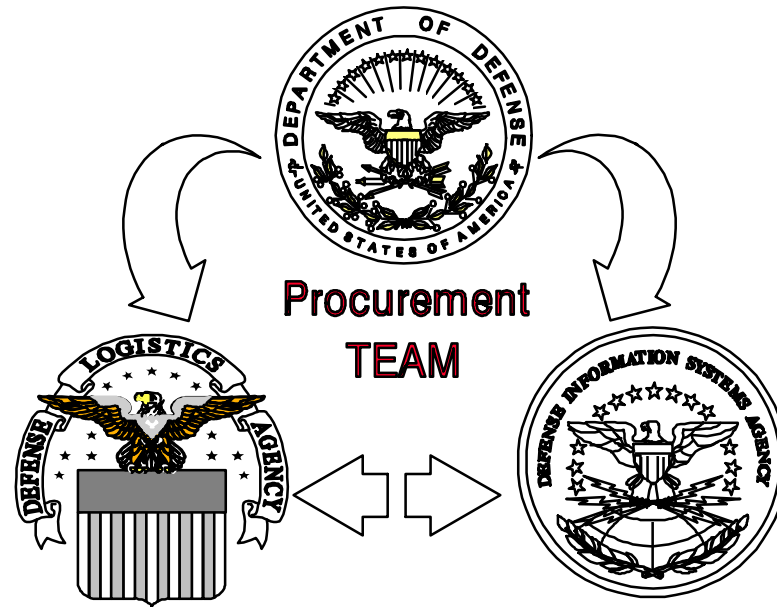
## Monthly Management Review

HQ AQAC





# DLA AQ MONTHLY MANAGEMENT REVIEW IRM PROGRAM



Defense Procurement CIM Systems Center (DPCSC)

DLA-AQAC

CAPT Edward J. Case, SC, USN

Program Manager

April 10, 1997

# Outline

- POM Baseline Review
  - Near Term Strategies
  - AQ IT Portfolio
  - Challenge #10: IT Initiatives
  - Performance Goal Initiative Summary
- ✦ The MALOX Moments
  - ✦ 5000 Series Documentation Summary
  - ✦ MMR Action Item
  - ✦ But....



# POM Baseline: Total AQ IRM

SPS

Base Level

HQ



# POM Baseline: SPS

Other

Tech Support

Personnel

Processing

Equipment & Cots



# POM Baseline: Base Level

Other  
Tech  
Personnel Support  
Processing  
g  
**Communication**  
S  
Equipment  
Maint  
Equipment &  
Cots



# POM Baseline: HQ Initiatives

Other

Technical Support

Equip Maint

Processing

Equipment & Cots



# POM Baseline: Total AQ By Category

Other  
Tech Support  
Personnel  
Processing  
**Communications**  
Equipment Maint  
  
Equipment & Cots



# POM Proposal Discussion Topics

- COOP
  - ✦ DASC IT Support for HQ
  - ✦ COTS for Customs
  - ✦ FOCAS
  - ✦ DBMX
- Security/SEAS
- DBAS
- DCMDI T-1  
Lines



# DCMC Near Term Strategies

- ✦ Electronic Media
  - EC/EDI
  - Imaging
  - WWW / E-Mail Initiatives
- ✦ Shared Data
  - SDW
- ✦ Common Operating Environment
  - Migration to DII COE systems
- ✦ Standardization
  - LANs and WANs
  - Long-haul communication lines
  - Office environment configuration
  - “F” Shop organizations
- ✦ Software Migration
  - Enterprise management: Tivoli, Impromptu, POWERPLAY, Oracle, Microsoft Products
  - Migration to shared data architecture
  - Reduce number of databases
  - Improve data accuracy
- ✦ Hardware
  - PC upgrades
  - Servers (regional)
  - Servers (local)
  - Photos, drawings, video, sound, distance hearing



# AQ IT Portfolios... Applications

By Priority



# AQ IT Portfolios... Applications

By Priority



# AQ IT Portfolios... Environment

By Priority



# AQ IT Portfolios... Applications

Alphabetically



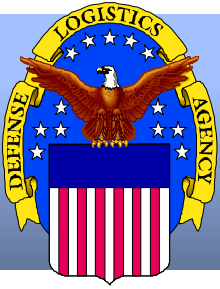
# AQ IT Portfolios... Applications

Alphabetically



# AQ IT Portfolios... Environment

Alphabetically



# AQ Challenge #10 IT Initiatives

- *Support of information technology initiatives such as the Standard Procurement System, common automated systems throughout DCMC, and greater use of teleconferencing facilities will improve communications within the Command and with its customers. The challenge means that the right information will be provided to the right people at the right time, regardless whether the data comes - or is going to - Ankara, Australia, or Atlanta.*

## – **FY97 ADD-ONS:**

- Need to scrutinize the providers of our AIS
- Need to see greater return for our investment
- Must hold providers to the same high standards to which we hold our customer's providers





# Performance Goal Initiatives

• 2.1.6.1	Deployment video teleconference to field commanders	N/A
• 2.1.6.2	Deployment of imaging capability to DCMDE	Green
• 2.1.6.3	Increase access to Internet/World Wide Web	Complete
• 2.1.6.4	Update IRM Plan	Red
• 2.1.6.5	Complete deployment of TAMS	Red
• 2.1.6.6	Complete Deployment of PASS	Green
• 2.1.6.7	Development/Deployment of ALERTS	Green
• 2.1.6.8	Deployment of DADS	Red
• 2.1.6.9	Deployment of PCARSS	Red
• 2.1.6.10	Support Decision Support Information System	Green
• 2.1.6.11	Support SPS Dem/Val	Complete
• 2.1.6.12	Deployment of EDI DD 250	Red



# Performance Goal Initiatives

- |            |  |                   |
|------------|--|-------------------|
| • 2.1.6.13 | Complete Phase 1 Deployment of ACO Mods                    | Red               |
| • 2.1.6.14 | Complete ET of SPS/MOCAS GUI                               | Red               |
| • 2.1.6.15 | Complete Increment 1-3 of Automated Metrics System         | Green             |
| • 2.1.6.16 | Complete Deployment of Closed Contract Database            | Red               |
| • 2.1.6.17 | <b>Complete Deployment of Customs Redesign</b>             | <b>Terminated</b> |
| • 2.1.6.18 | Complete System Deployment of DCARRS/PLAS                  | Red               |
| • 2.1.6.19 | <b>Complete Prototype 2 &amp; 3 FT of Price Work Bench</b> | <b>Terminated</b> |
| • 2.1.6.20 | ID Method and Implement Process for AIS Training           | Green             |
| • 2.1.6.21 | Complete Deployment of CPRS                                | Green             |
| • 2.1.6.22 | Complete Deployment of Electronic Data Access (EDA)        | Green             |
| • 2.1.6.23 | Complete ET/IOTC of OASYS                                  | Green             |

# IT Initiatives



= Target Completion Date



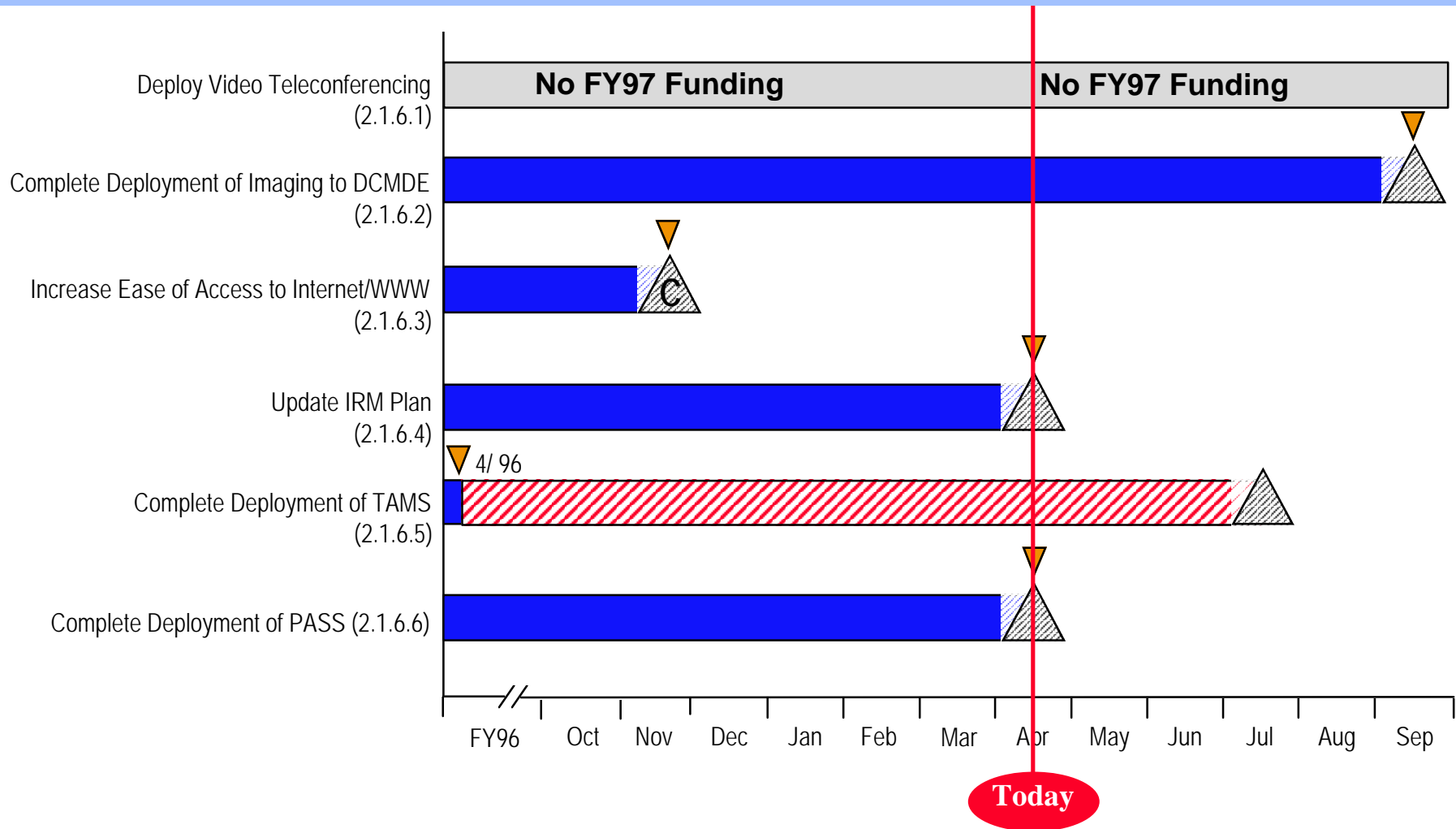
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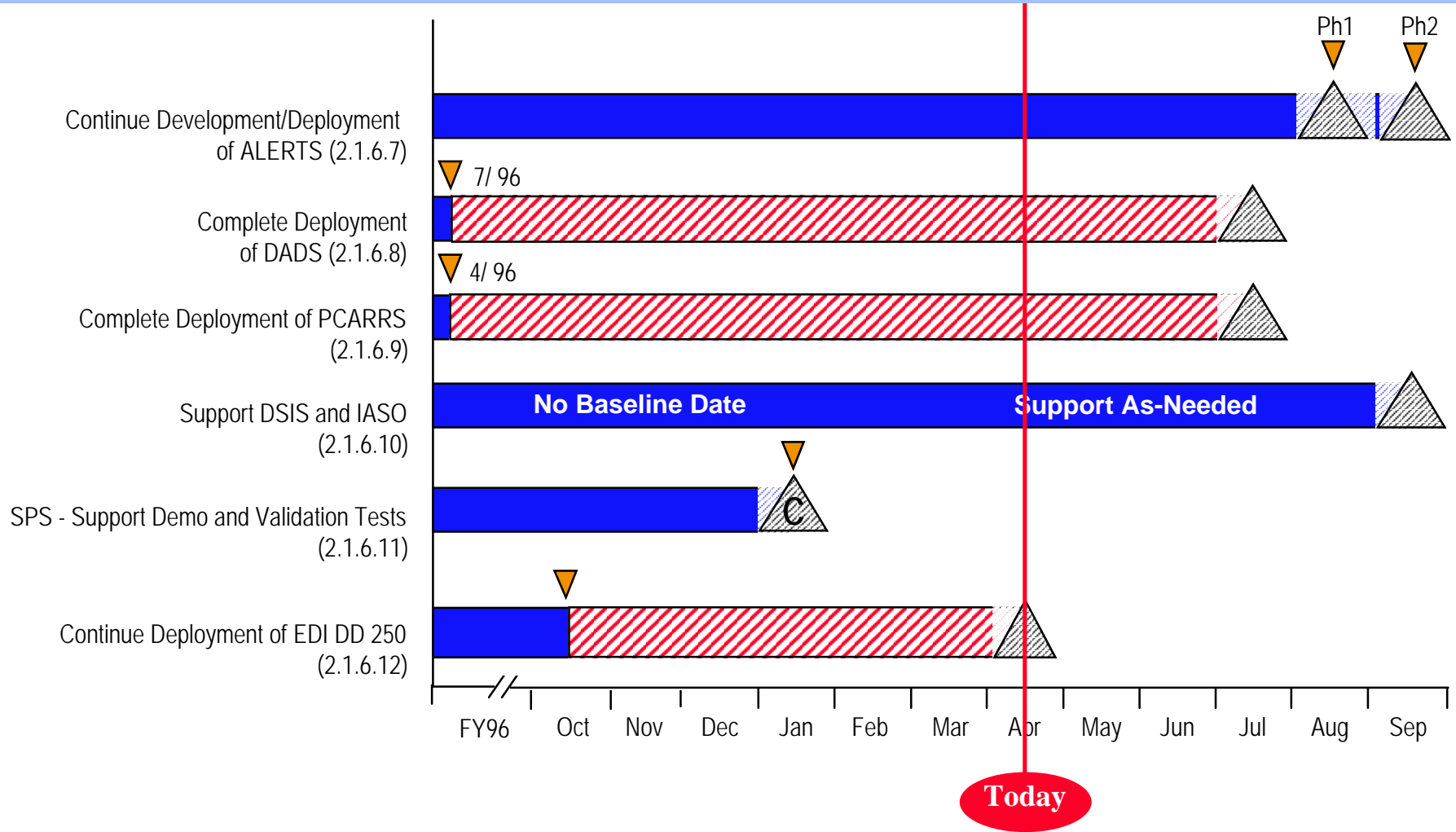
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**C**

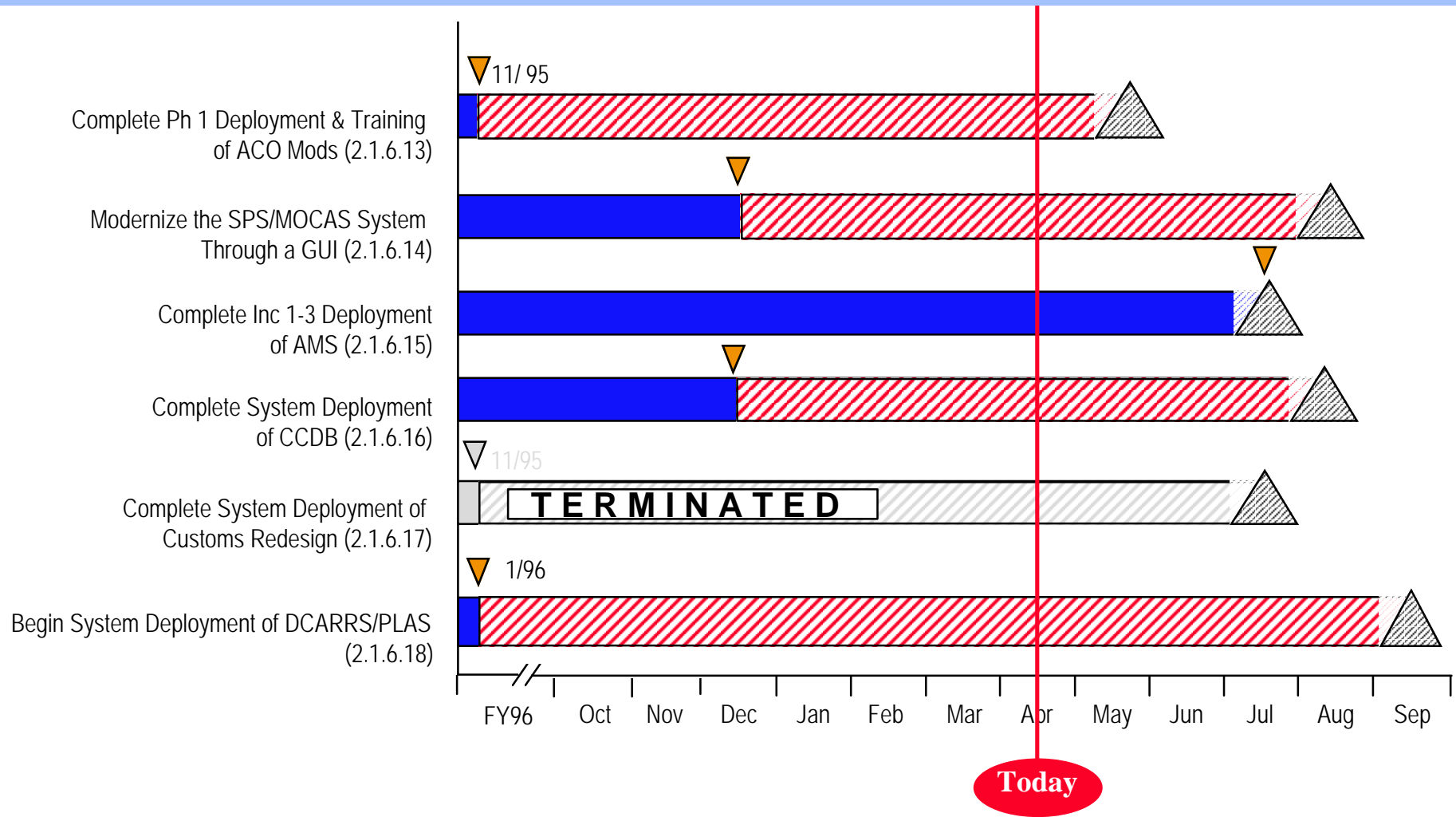
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# IT Initiatives



# IT Initiatives



# IT Initiatives



= Target Completion Date



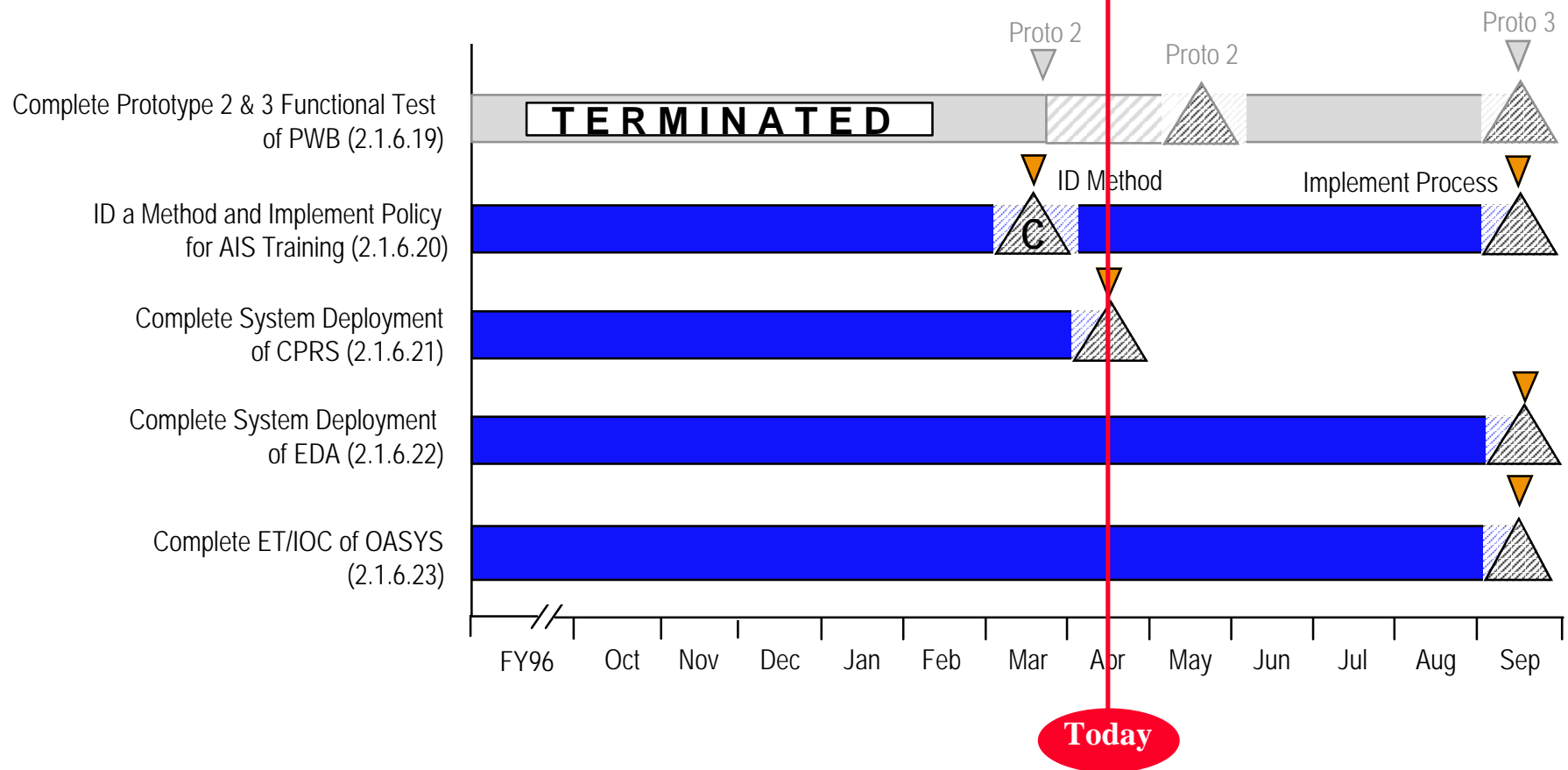
= Slippage



= Baseline Date

**C**

= Complete



# Information Resources Management Plan(IRM)

**RED**

Goal 2.1.6.4

**Customer Supported:** All DCMC

**AQAC POC:** Lt Col Rob Weinhold

## **PROJECT DESCRIPTION:**

Develop an Information Resources Management Plan that will provide sufficient centralization ensuring economies of scale, standards control, and critical task management.

## **GOAL:**

*Right Efficiency*

Distribute the IRM plan. Update and incorporate any changes to reflect current DCMC IRM strategy, goals, and objectives.

## **BENEFIT:**

- Provides a high-level overview of DCMC's approach to information resources for the short and long term.
- Provides a roadmap to plan, budget, and manage future assets.
- Complies with ITMRA requirements

## **STATUS REMARKS:**

- Target completion date at risk due to extent of CAPT Case's comments
- Planned Final Draft and Draft Signed, Apr 97

## **FY 97 FUNDS:**

16K

## **COST TO COMPLETE (98-03):**

NA

## **ANNUAL ROI:**

NA

# Termination Automated Management System(TAMS)

**RED**

Goal 2.1.6.5

**Customer Supported:** AQ, All DCMC & Buying Activities

**AQAC POC:** Lt Col Rob Weinhold

## **PROJECT DESCRIPTION:**

Provide an automated method of tracking the steps in the process of terminating contracts for the convenience of the government. The redesign uses client/server GUI technology.

## **GOAL:**

*Right Efficiency*

Complete the deployment and requisite training of the current version of TAMS (3.3).

## **BENEFIT:**

- Provides tracking for over 100 critical steps in the Contract Termination Process
- Allows corporate visibility of statistical information
- Implements a user-friendly system

## **STATUS REMARKS:**

- Problems encountered during Version 3.0 ET
- Fixes are in place and a formal baseline is being established for a retest of the system
- Target ET, Jul 97; Target Deployment, Aug 97
- Scheduling Issues

**FY 97  
FUNDS:**

\$485K

**COST TO  
COMPLETE  
(98-03):**

\$462K

**ANNUAL  
ROI:**

\$909K



# DCMC Automated Disposition System (DADS)

**RED**

Goal 2.1.6.8

**Customer Supported:** Payment Closeout and Property Team (AQOE)

**AQAC POC:** Maxine James

## **PROJECT DESCRIPTION:**

Will provide summaries and reports of the automated plant clearance system.

## **GOAL:**

*Right Efficiency*

Complete deployment and requisite training.

## **BENEFIT:**

- Reduce operating and maintenance costs
- Provide an appropriately sized platform for the system
- Improve system performance
  - Response time for reports, etc.
  - GUI (Increase User-Friendliness)

## **STATUS REMARKS:**

- Completed HP Rehost, 5 Mar 97
- Mar 97 Management Information Report Test failed due to S/W problems--Target Retest, 11 Apr 97
- Target ET Certification, May 97
- DADS being combined with PCARRS

**FY 97 FUNDS:**

NA

**COST TO COMPLETE (98-03):**

NA

**ANNUAL ROI:**

TBD

*Cost Born under PCARSS Funding*

# Plant Clearance Automated Reutilization Screening System (PCARSS)

**RED**

Goal 2.1.6.9

**Customer Supported:** Payment Closeout and Property Team (AQOE)

**AQAC POC:** Maxine James

## **PROJECT DESCRIPTION:**

Automates the Plant Clearance process for contract property disposition.

## **GOAL:**

*Right Efficiency*

Complete deployment and requisite training.

## **BENEFIT:**

- Eliminates paper intensive screening process for excess equipment
- Provides maximum visibility of reusable assets

## **STATUS REMARKS:**

- FY 96 Product deliverable/design was deficient due to COTS product
- Contract was modified in Sep 96, and schedule was rebaselined; now tracking to new schedule
- FT in progress--Target Certification, 18 Apr 97; Target ET, Apr 97
- Target Deployment, Jul 97

## **FY 97 FUNDS:**

\$678K

## **COST TO COMPLETE (98-00):**

\$1,147K

## **ANNUAL ROI:**

\$670K

# DD250s

(DD250s)

**RED**

Goal 2.1.6.12

**Customer Supported:** DCMC/DFAS

**AQAC POC:** Ron Kunihiro

## **PROJECT DESCRIPTION:**

Integrate EC/EDI into the business processes.  
Implement the following Executive mandates to use EC/EDI - 1990 DMRD 941 Eliminate Paper Forms, & President Clinton's 1993 Memo to exchange Procurement Information Electronically.

## **GOAL:**

*Right Efficiency*

Based upon successful testing of the EDI DD250 system in 1996, continue its deployment in 1997.

## **BENEFIT:**

- DMRD 941 identified DD250 as a business form to convert to an electronic format
- Implements paperless process
- Eliminates manual data entry and tracking - Improve data integrity
- Improves business practices

## **STATUS REMARKS:**

- DoD Approved IC Released; different from draft: application reprogrammed.
- FT and Compliance Testing delayed--compliance testing now in progress
- First operational site scheduled for Apr 97

**FY 97  
FUNDS:**

\$100K

**COST TO  
COMPLETE  
(98-03):**

\$95K

**ANNUAL  
ROI:**

TBD

# ACO Modification Module

## (ACO MODS)

**RED**

Goal 2.1.6.13

**Customer Supported:** All DCMC

**AQAC POC:** G. Geroe/J. Rardon

### **PROJECT DESCRIPTION:**

ACO Mods is an automated tool providing capability to download MOCAS Contract Data, make changes required by the modification, print SF30s, & update MOCAS and accounting offices with modification data through EDI 860 Transaction.

### **GOAL:**

*Right Efficiency*

Complete Phase 1 deployment and requisite training.

### **BENEFIT:**

- **Mandatory effort under Acquisition-Financial Working Group**
- Enhances ACOs with source data entry capabilities
- Increases MOCAS accuracy and timeliness
- Helps reduce unmatched disbursements
- Reduction in DFAS-CO Processing Costs
- Reduction in problem disbursements

### **STATUS REMARKS:**

- Jan 97 FT failed from minor problems
- Re-FT Certified, Feb 97
- ET/IOC in progress. Expected Certification, 11 Apr 97
- Target Phase 1 Deployment (without EDI), May 97

**FY 97  
FUNDS:**

\$702

**COST TO  
COMPLETE  
(98-00):**

\$323K

**ANNUAL  
ROI:**

TBD

# SPS/MOCAS GUI

**RED**

Goal 2.1.6.14

**Customer Supported:** DCMC/DFAS

**AQAC POC:** Joan Donahue

## **PROJECT DESCRIPTION:**

Modernize the SPS/MOCAS system through the application of a GUI. This provides a standard Windows environment to interface with other applications without massive reprogramming.

## **GOAL:**

*Right Efficiency*

Modernize the SPS/MOCAS front end system through the application of a GUI. Complete evaluation testing.

## **BENEFIT:**

- Increases MOCAS user productivity by approximately 35%
- Speeds-up processing time
- Helps lower telecommunication costs
- Substantially reduces learning curve for new users

## **STATUS REMARKS:**

- System response time was unacceptable during Environmental Testing.
- Telecommunications: adding T-1 lines.
- Awaiting Tivoli application deployment.
- Staffing affected by higher priority projects.

**FY 97  
FUNDS:**

500K

**COST TO  
COMPLETE  
(98-00):**

\$230K

**ANNUAL  
ROI:**

TBD

# Closed Contract Database

## (CLOSED CONTRACT DATABASE)

**RED**

Goal 2.1.6.16

**Customer Supported:** All DCMC

**AQAC POC:** Dan Moriarty

### **PROJECT DESCRIPTION:**

Provide the capability to write closed contract data to optical disk, allowing timely retrieval of data in support of litigation and to meet the needs of research into contract history relating to major weapons systems.

### **GOAL:**

*Right Time*

Complete system deployment.

### **BENEFIT:**

- Provides significant near on-line storage and query capability of contract data
- Ensures better and faster access to closed contract files
- Maintains credible audit trail

### **STATUS REMARKS:**

- DFAS changed requirement to accommodate close-out process
- Staffing affected by higher priority projects (i.e., SDW)
- Completed CMM Level II training, peer review, and are now identifying operational requirements from the systems specifications document.

**FY 97  
FUNDS:**

\$348K

**COST TO  
COMPLETE  
(98-00):**

\$159

**ANNUAL  
ROI:**

TBD

# Customs Redesign(CDFMS) Goal 2.1.6.17

**Customer Supported:** All DCMC, New York  
International Logistics Office

**AQAC POC:** Joan Donahue

## **PROJECT DESCRIPTION:**

Will use an on-line, interactive method of determining a shipment's eligibility for duty free entry; automate the tracking reporting and issue of duty free entry certificates.

## **GOAL:**

*Right Efficiency*

Complete system deployment.

## **BENEFIT:**

- DCMC personnel ability to comply with the requirements of the FARS, the One Book, U.S. Customs Service, U.S. Maritime Service, U.S. Census Bureau and all other customers.
- Flexibility to meet any future customs requirements.

## **STATUS REMARKS:**

- CDA unable to deliver product
- Project terminated 27 Feb 97
- Investigating COTS alternative

## **FY 97 FUNDS:**

\$0

## **COST TO COMPLETE (98-03):**

\$0

## **ANNUAL ROI:**

NA

# Defense Contract Administration Reimbursable Reporting System (DCARRS)

**RED**

Goal 2.1.6.18

**Customer Supported:** QA Specialist (AQBB)

**AQAC POC:** Joan Donahue

## **PROJECT DESCRIPTION:**

DCARRS automates data collection for billing non-DoD customers. Phase III will redesign DCARRS into a relational database mgt system to make it more effective & efficient. Reimbursable labor hours entered into PLAS will be electronically transferred to DCARRS.

## **GOAL:**

*Right Efficiency*

Complete system deployment (Dec 97).

## **BENEFIT:**

- Improves accuracy in billing, forecasting, payment status
- Automates non-DoD customer billing process
- Reduces disputes in billing, mishandling of data
- Eliminates processing of multiple input documents

## **STATUS REMARKS:**

- Baseline date reflects new contractor's planned schedule with completion in FY 98
- New schedule adopted, Feb 97
- Fall 97 ET

**FY 97  
FUNDS:**

\$445K

**COST TO  
COMPLETE  
(98-03):**

\$703K

**ANNUAL  
ROI:**

\$1.4K



# Pricing Workbench(PWB)

Goal 2.1.6.19

**Customer Supported:** AQOD / Pricing Community

**AQAC POC:** Dwayne Eriksen

## **PROJECT DESCRIPTION:**

An application which will accept EC/EDI transactions of pricing data & allow analysts to perform their jobs in a more automated manner.

## **GOAL:**

*Right Efficiency*

Complete Prototype 2 and complete Prototype 3 functional/environmental test.

## **BENEFIT:**

- Expedites users analysis and calculations
- Permit effective communication of analysis data to POCs
- Allows electronic receipt of cost proposals from contractors

## **STATUS REMARKS:**

- FY 97 Funding Level reduced
- Assess GE Web Site alternative
- **Integrate with SPS enhancements**

**FY 97  
FUNDS:**

\$250K

**COST TO  
COMPLETE  
(98-03):**

TBD

**ANNUAL  
ROI:**

TBD

# **5000 Series Documentation Status**



## MMR Action Item #12

**Q:** *“How can we redo the method we use to rate the IRM (performance goal) in the MMR?”*

**A:** By showing our project in a way to reflect original milestones and schedule slippages as highlighted in this presentation.



# But...

- Can we test all of this?
- Can we train for all of this?
- Can we install all of this?
- Can the District “F” Shops and CAO EUC folks handle all the requirements?
- Do we have PC/server infrastructure for all of this?

# **ACTION ITEMS**

## **AQ**

### **MONTHLY MANAGEMENT REVIEW**

## **ACTION ITEMS**

### **AQ MONTHLY MANAGEMENT REVIEW (MMR)**

### **MARCH 14, 1997**

1. **OPEN. CONTRACT CLOSEOUT, CANCELING FUNDS** - Schedule a meeting with Dr. Hamre on canceling funds data. Put together a presentation on canceling funds data to be briefed to Dr. Hamre. (AQOE- Mar 97)(**SUSPENSE: March 31**)

Apr 3: The briefing to Dr. Hamre has been scheduled for April 25. Draft briefing has been completed and is with AQO for review.

2. **OPEN. DESIGN DEFECTS WAIVERS AND DEVIATIONS** - Discussion centered on monthly activity and major program contributor (page 103). At next MMR brief the 10 CAO drivers, the associated Buying Command and the root causes. (DCMDE - Mar 97)  
(**SUSPENSE: April 10**)

Apr 3: The data has been analyzed and the information will be briefed at the April MMR.

3. **OPEN. DESIGN DEFECTS WAIVERS AND DEVIATIONS** - The calendar year 1996 ACTS data was analyzed and two major problem areas were identified (page 104). For next MMR identify the top 10 Contractors selected based on the ACTS data. (DCMDE - Mar 97)  
(**SUSPENSE: April 10**)

Apr 3: The data has been analyzed and the information will be briefed at the April MMR.

4. **OPEN. OPEN OVERHEAD NEGOTIATIONS** - A considerable amount of work has been accomplished and the top five CAOs drivers will be visited by the District Staff. An additional step necessary to assure continued progress is to develop a burndown plan. Prepare a plan for each of the CAOs (similar to chart 64) for next MMR. (DCMDE - Mar 97)

(SUSPENSE: April 10)

Apr 3: The data has been analyzed and a plan has been created that will be briefed at the April MMR.

5. **OPEN. TERMINATION ACTIONS AGING OF DOCKETS** - The total number of dockets (page 128) reflects a large number of dockets in New York. At next MMR discuss the root causes of the problem. (DCMDE - Mar 97)(SUSPENSE: April 10)

Apr 3: The data has been analyzed and the information will be briefed at the April MMR.

6. **OPEN. DAWIA CERTIFICATION** - People stationed at various CAOs may only need one or two additional courses to be certified. However, DCMC Grumman Melbourne and DCMC Sikorsky have the lowest percentage of employees certified (page 133). Analyze the certification requirements at both places and determine why they have the lowest certification rates. Discuss at next MMR. (DCMDE - Mar 97) (SUSPENSE: April 10)

Apr 3: The data has been analyzed and the information will be briefed at the April MMR.

7. **CLOSED. MANAGEMENT COUNCILS** - Look at metrics presented during the MMR. In particular look at the pacing CAOs in the red and yellow metrics. Are Commanders using Management Councils to address systemic issues as indicated by performance metrics, such as overhead and ECPs? Are the CAO Commanders using Management Councils to resolve issues broader than SPI? Are a broad range of other subjects being discussed with contractors at the Management Councils? Forward information to AQ by 31 March. (DCMDE and DCMDW and DCMDI - Mar 97) ([SUSPENSE: March 31](#))

Apr 3: DCMDE - Memorandum dated April 3, 1997, incorporating requested information forwarded to AQ.

Apr 3: DCMDW - CC-mail forwarded to Executive Team, April 2, 1997, indicating all CAOs responding indicated they are either currently using Management Councils to address systemic or programmatic issues or that they are/have taken steps to start.

Apr 8: DCMDI - Fact Sheet on status of Management Councils within DCMDI furnished to AQ.



8. **OPEN. PERCENTAGE OF SOFTWARE RECOMMENDATIONS ADOPTED** - Review the metric and make a recommendation regarding changing the calculation. (AQOF - Feb 97)

Mar 11: The metric definition was reviewed with input from all parties concerned. It was decided that the metric definition should remain the same.

Reopened at request of Ms. Pettibone - Mar MMR(SUSPENSE: March 31)

Apr 4: Meeting held with Ms. Pettibone today. Pending a decision on metric, action item will remain open.

9. **OPEN. SOFTWARE PROFESSIONAL DEVELOPMENT PROGRAM (SPDP) GUIDE** - The interim training guide, published Jan 95, was coordinated through the Union. An update to the guide is currently under review. Assure the revised SPDP training guide is fully coordinated with the Union. (AQOF - Feb 97) §SUSPENSE: March 31)

Mar 11: All DCMDs are currently reviewing the guide. We plan to submit the guide to the Union by March 31.

Apr 4: The SPDP Training Guide has been reviewed by HQ staff. A letter transmitting it to the Union for their coordination went into the mail on April 4. ECD: Apr 30, 97

10. **OPEN. UCAs** - Change the metric to overage dollars after the Automated Metric System (AMS) has been installed for this item. (AQOD - Aug 96)~~S~~**(SUSPENSE: May 30)**

Aug: Overage dollars have been identified as the metric for UCAs. It will be collected after the AMS has been installed. The first increment of AMS, which will include this measure, was scheduled to go into operation Jan 97.

Dec: AMS schedule has slipped to May 97. (This action will be closed upon implementation of the AMS increment incorporating UCAs.) ECD: May 97

11. **CLOSED. CUSTOMER SATISFACTION SURVEYS** - Check with liaisons to determine their input on who best to survey within their ICPs. (AQOA - Dec 96)~~S~~**(SUSPENSE: March 31)**

Feb 20: Input has been received from liaisons. The plan of action is under review.

Mar 11: Business unit chiefs will be surveyed at the DLA ICPs. Equivalent single program managers at AF Logistic Centers will also be surveyed. ECD: Mar 17.

Apr 3: The survey coordinators in DCMDE and DCMDW have been provided with the names and numbers of ICP Business Unit Chiefs, and the equivalent at Air Force ALCs. These names have been added to the list of potential calls for the monthly surveys.

12. **OPEN. INFORMATION TECHNOLOGY** - Redo the method we use to rate the IRM area (performance goal) in the MMR. (We need a way to reflect original milestones and schedule slippages.) (AQAC - Dec 96)(**SUSPENSE: April 10**)

Feb 20: New FY97 Information Technology Performance Goal 2.1.6 submitted to AQBA. It is on the schedule to be briefed during Mar MMR by AQAC. ECD: Mar 14

Mar 14: Briefing rescheduled for April MMR. ECD: Apr 10



# DCMDI Resource Management

## Business Performance Metric

Int'l

### 1. Budget Execution

A. Total

Red

B. Direct

Red

C. Reimbursable

Red

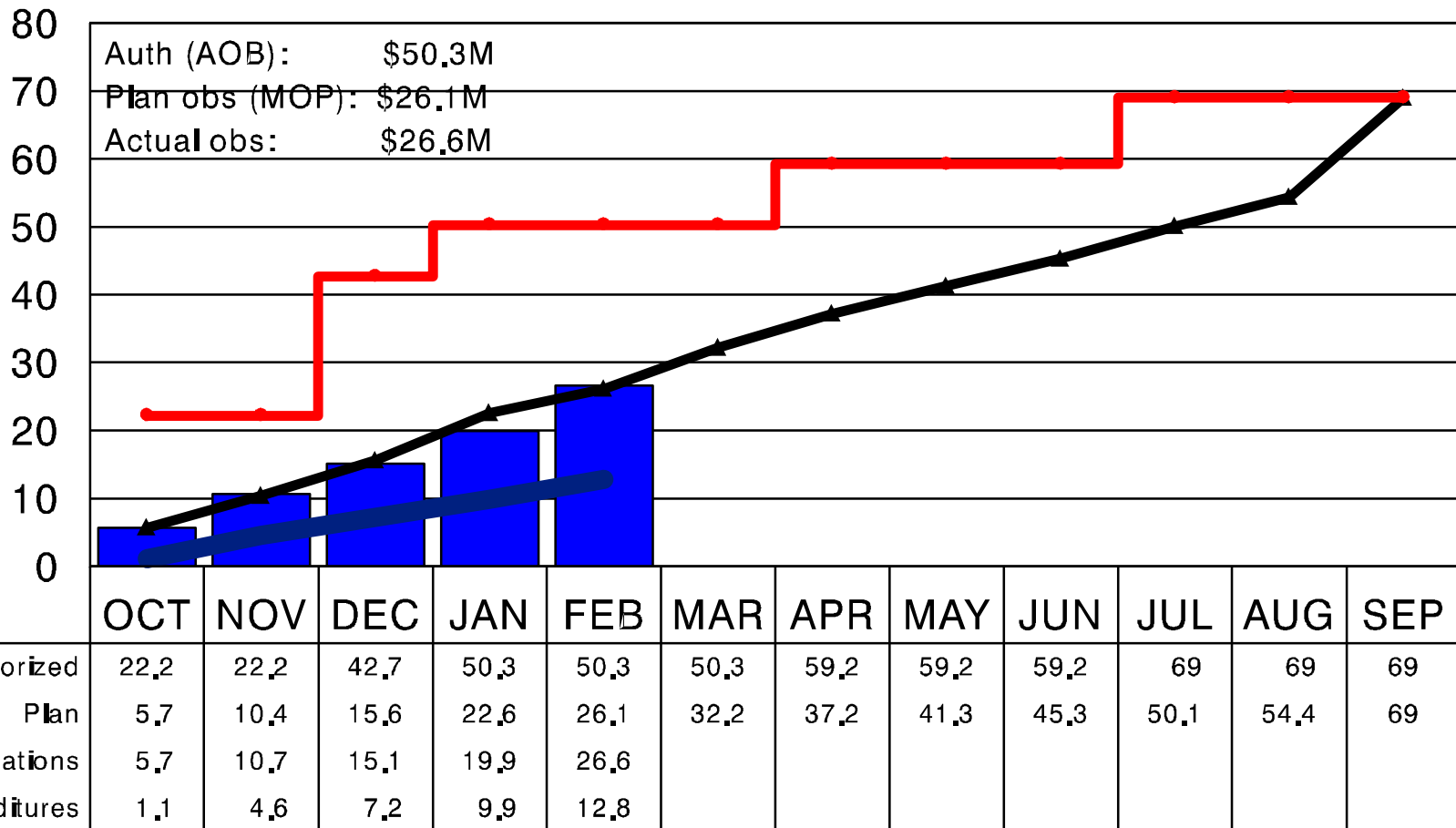
### 2. Personnel

A. Full Time Equivalent Execution

Red

# DCMDI Resource Management FY 97 Total Execution

Millions of dollars



Obligations/plan 102%

— Authorized 
 ▲ Plan 
 ■ Obligations 
 ● Expenditures



# DCMDI Resource Management

## FY 97 Total Execution

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Status: RED

---

Comments: (as of 28 Feb 97)

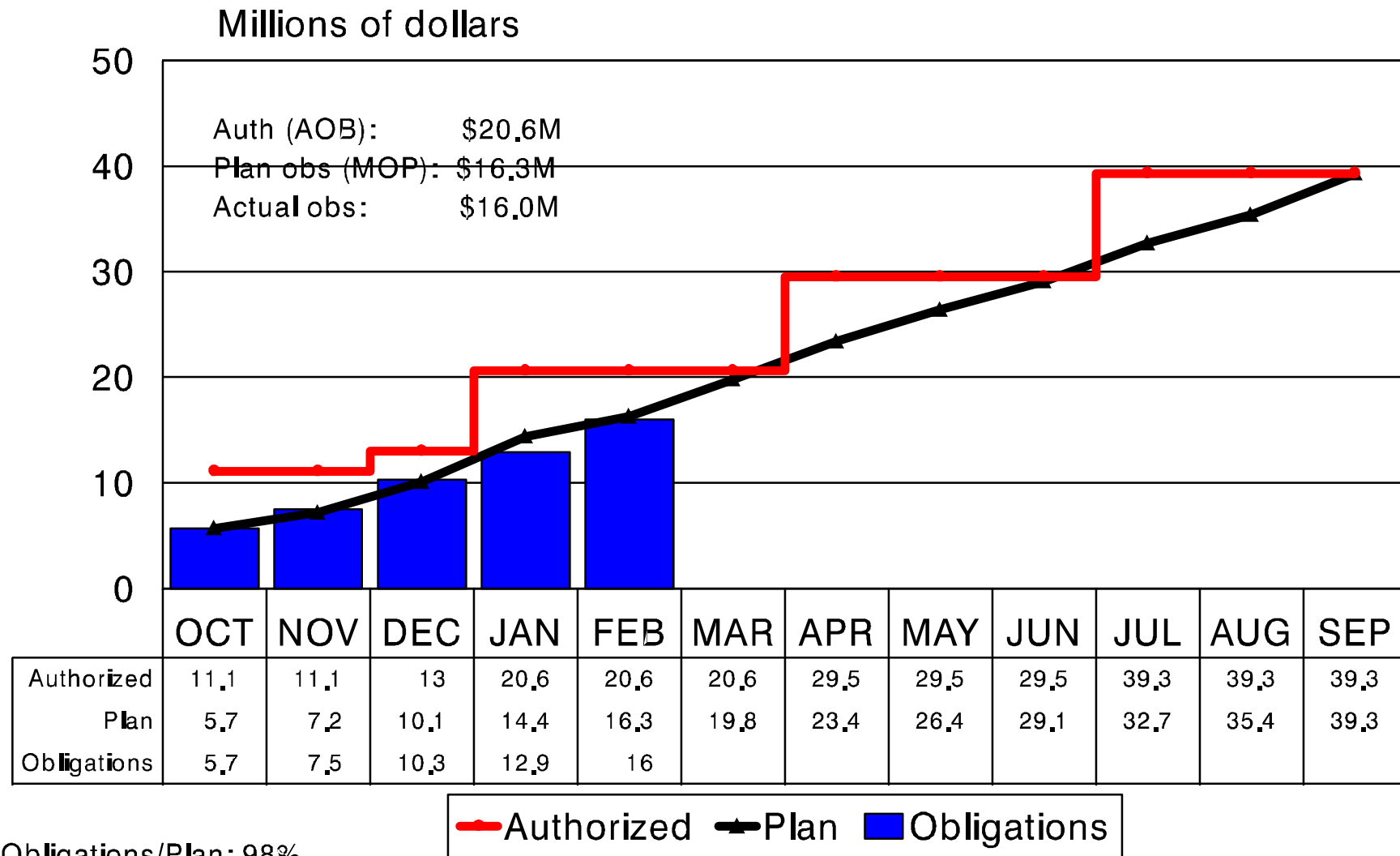
\$ .5M overexecution to plan due to early receipt of SSOC contract, obligated to Saudi Arabia (OC 25). This was offset by the underexecution in Labor (OC 10), rents (OC 23.10) and communications (OC 23.20).

Actions taken:

Rents and utility bills are expected to be obligated within the 3rd quarter. Communications billings have been received and will appear in April obligations..

# DCMDI Resource Management

## FY 97 Direct Execution



Obligations/Plan: 98%



# DCMDI Resource Management

## FY 97 Direct Execution

---

Status: RED

---

Comments: (as of 28 Feb 97)

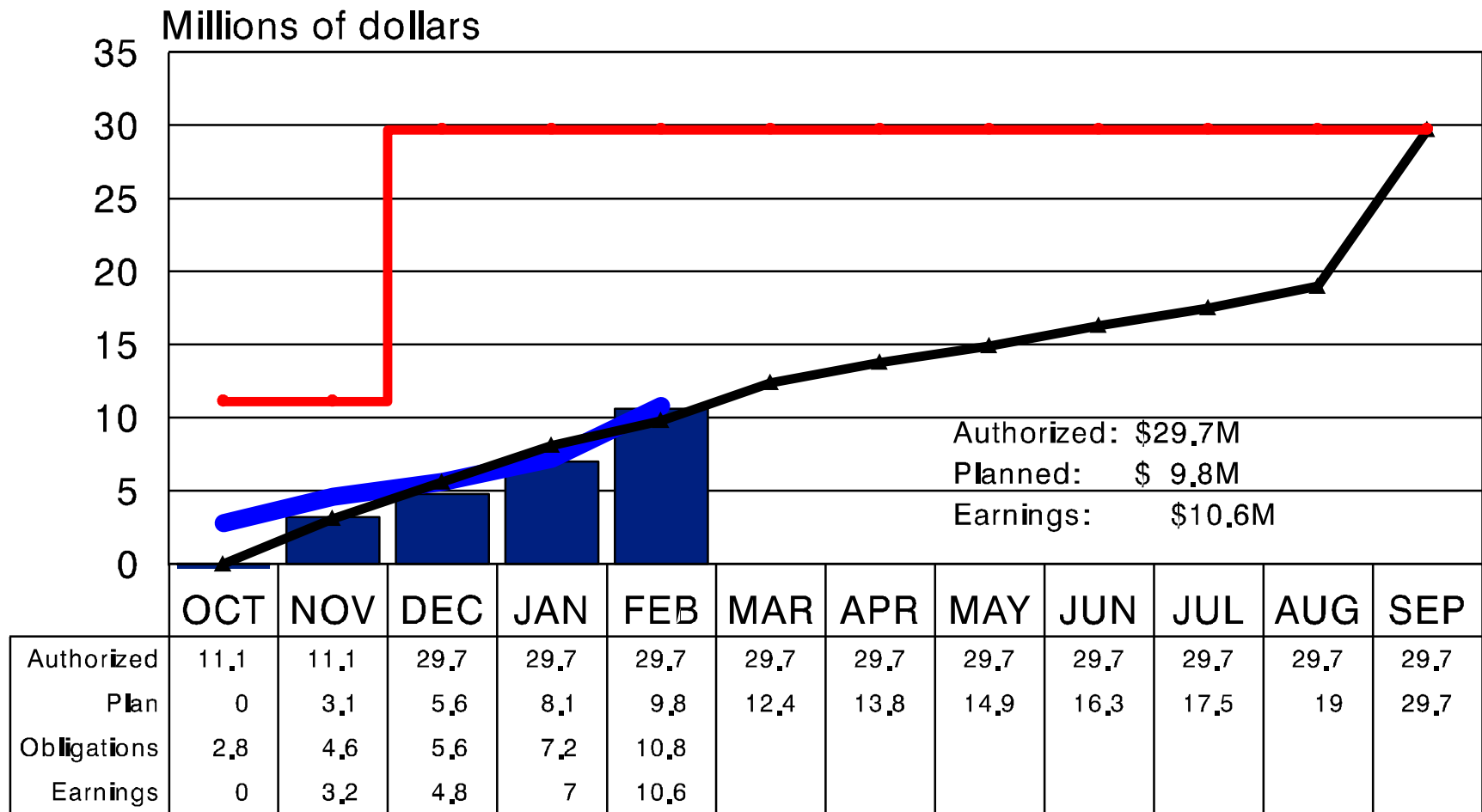
\$ .3M underexecution to plan is due to non-receipt of 2nd Qtr long-haul communications bill and rental billings. However, the underexecution in these areas was compensated by the overexecution in other areas such as TDY and PCS.

Actions taken:

Long-haul communications bill has been received and will appear in March obligations.



# DCMDI Resource Management FY 97 Reimbursable Execution



Earnings/Plan: 108%

Obligations/Plan: 110%

— Authorized — Plan — Obligations ■ Earnings



# DCMDI Resource Management

## FY 97 Reimbursable Execution

---

Status: RED

---

Comments: (as of 28 Feb 97)

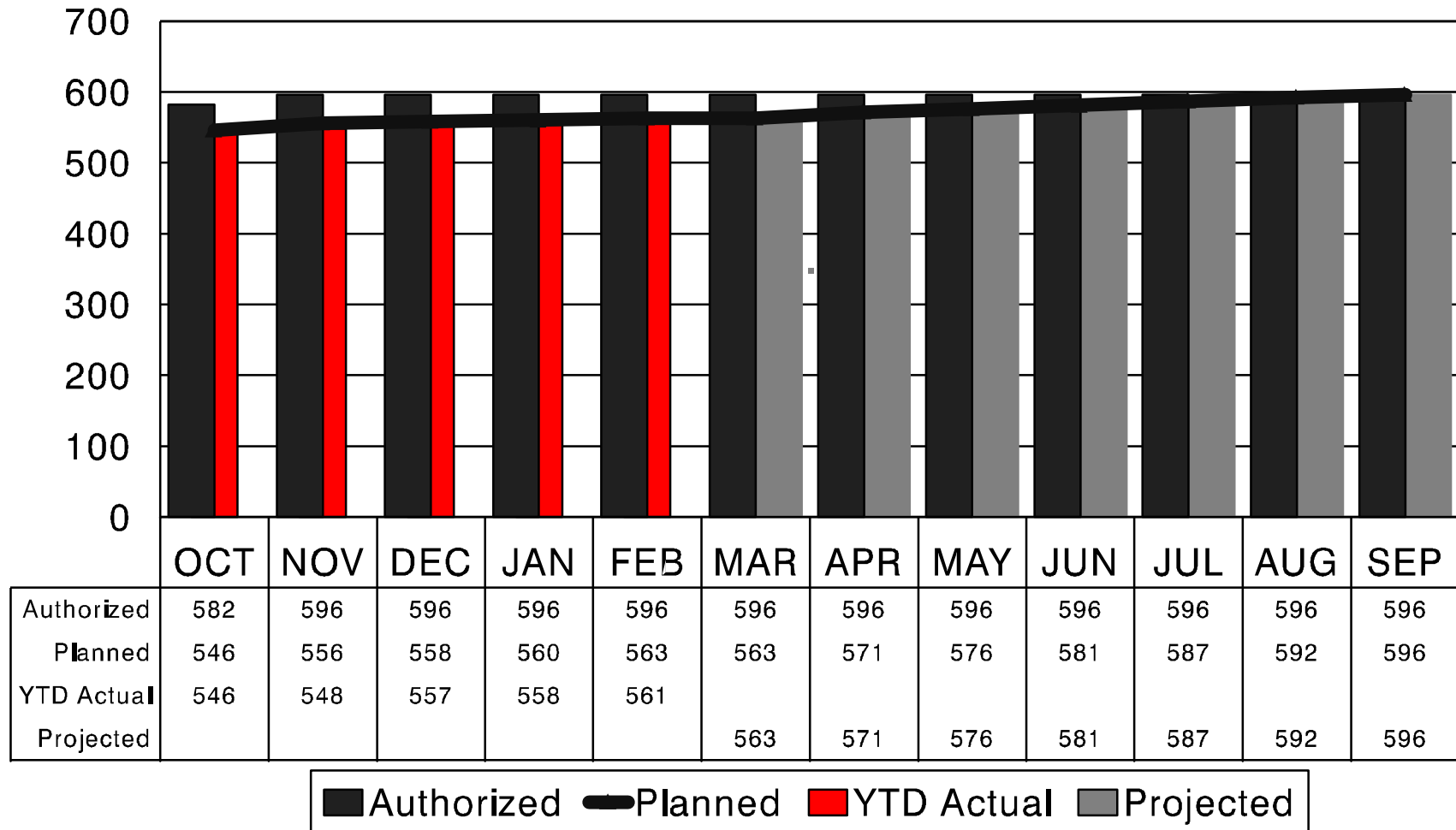
\$ 1M overexecution is due to early obligation of SSOC contract offset by underexecution of Labor (OC 10).

Actions taken:

New hires are expected in the Mar/May time frame.

# FY97 DCMDI FTE Execution

## a/o 28 February 1997



Actual/Plan: 99%



# DCMDI Resource Management FTE Execution

---

Status: RED

---

Comments: (as of 28 Feb 97)

DCMDI (minus Assessment Center) under executed the 560 FTEs by 22

Actions taken:

Initiated aggressive hiring processes to fill vacancies (selections made with report dates in Mar/May)

Created short term positions to bridge gaps and hiring lag times

Hire additional number of employees, peaking at 4th quarter, to achieve desired “burn rate”.



# DCMDI Resource Management

## FTE Execution

---

Status: RED

---

Comments: (Continued)

- o DCMDI initial 582 FTEs for FY97 revised to 596 (582 minus 22 FMS in Saudi, plus 36 Direct for the Assessment Center)

- o FTE Status (596 minus 36 Assessment Center FTEs):

<u>FTEs</u>		<u>'Burn Rate'</u>	<u>Under/Over</u>
421	Direct	412*	( 9)
<u>139</u>	<u>Reimbursable</u>	<u>126*</u>	<u>(13)</u>
560	Total	538	(22)

- o Reimbursable total improving each month. Direct number reflects scrub of manual accounting system. \*Reflects 11 FTE transfer from Direct to Reimb funds for District Staff realignment to 15.



# DCMDI Mission Performance



# DCMDI Mission Performance (Con't)



# DCMDI Right “Time”

Engineering Change Cycle Time  
(Contractor Submission to PCO Disposition)





# DCMDI Right “Time”

## Engineering Change Cycle Time

---

Status: Yellow

---

Comments:

Class I ECP backlog is defined as those without a PCO Disposition Date in the ACTS. Chart reflects Class I ECPs without a PCO Disposition Date and the average age of those.

Age of ECPs is caused by a combination of

- 1) Not entering PCO Disposition date in ACTS
- 2) Closing easier ECPS faster than harder ones



# DCMDI Right “Price”

UCA Definitization

(UCAs >180 Days/UCAs On-Hand)



# DCMDI Right “Price”

## UCA Definitization

---

Status: Yellow

---

Comments: (Goal is 10%)

Backup Info: Yellow. DCMC NE is working closely with Contractors and Buying Activities. DCMC is dedicating more resources to backlog

- DCMC Northern Europe
  - # of UCAs (76) > 180 days (36)
  - = 47% Overage
- DCMC Americas
  - # of UCAs(92)> 180 days(57)
  - = 62% Overage

Business Plan Reference None

### Problem Description

- DCMC Northern Europe
  - Untimely Proposals
  - Buying Activity Funding
- DCMC Americas
  - Backlog

DCMDI

# Right Reception

## Phone Service Standard

(# Met / Opportunities)

Business Plan Reference: 1.3.1



# DCMDI Right “Reception” Phone Service Standard

---

Status: Yellow

---

Comments: DCMC Turkey has moved into new office space. New answering machine has not been installed.



# DCMDI Right “Efficiency”

## Termination Actions

(Dockets Overage / Total Dockets)



# DCMDI Right “Efficiency”

## Termination Actions

---

Status: Yellow

---

- 37 Dockets; 9 Overage (> 2 Years)
- No Dockets with Canceling Funds
- N Europe has 18 Dockets; 6 Overage
- S Europe settled 3 Overaged Dockets
- Overall Percentage Did Not Change (28%)

# DCMDI Performance Improvement

1997 Business Plan - Performance Goals	Int'l
1.1.1 Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS CHALLENGE) (briefed under Mission Rights)	Green
1.2.1 Increase the percentage of items (source inspected) conforming to product specifications (Right Item under Mission item #1)	Green
1.2.2 Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule (Right Time under Mission item #2)	Green
1.2.3 Increase overall DCMC ROI by 10% over the FY 96 baseline (Right Price under Mission item #3)	Green
1.3.1 Continually improve all facets of the contract close-out process (Targets=Less than 5%/20% overage contracts for those with/without canceling funds respectively (Right Efficiency under Mission item #6A))	Green
2.1.1 Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	N/A
2.1.2 Establish/maintain/improve surveillance process to sensitize customer needs (DELIVERY DELINQUENCIES CHALLENGE) (Right Time under Mission items # 2A-2G)	N/A
2.1.3 Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	N/A
2.1.4 Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS CHALLENGE)	Green



# DCMDI Performance Improvement (Con't)

## 1997 Business Plan - Performance Goals

Int'l

- |       |  |       |
|-------|--|-------|
| 2.1.5 | Continually improve/enhance organization & processes that deliver<br>quality products/services (INTERNAL PROCESS CHALLENGE)                            | Green |
| 2.1.6 | Support info technology initiatives by deploying 90% of projects in the ARM plan<br>on schedule (INFORMATION TECHNOLOGY CHALLENGE)                     | NR    |
| 2.1.7 | Develop/deploy small quantity of outcome-oriented performance measures which best  | Green |
| 2.1.8 | Package DCMC-wide data for the customer in a comprehensive, timely,<br>and user-friendly manner (PACKAGING DCMC DATA CHALLENGE)                        | Green |
| 2.2.1 | Use the results of Performance Based Staffing Assessment to better<br>structure and utilize the workforce  | Green |
| 2.3.1 | Improve mission and support processes by conducting USA and management<br>control reviews; incorporate areas for improvement into the planning process | Green |
| 2.3.2 | Assess organizational performance through the accomplishment of<br>30 IOAs during FY 97  | Green |
| 2.3.3 | Continue those benchmarking projects started in FY 96  | N/A   |
| 2.3.4 | Explore the use of Alternate Oversight approaches and other<br>methods to enhance operational efficiency at various CAO locations                      | N/A   |
| 2.3.5 | Refine Internal Assessment (INTERNAL ASSESSMENT CHALLENGE)   | N/A   |

# DCMDI Performance Improvement (Con't)

1997 Business Plan - Performance Goals	Int'l
3.1.1 Reduce facilities costs - bring footage of office space into compliance with DLA standard - move offices from leased space into DoD space	NR
3.1.2 Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide	Green
3.1.3 Increase civilian supervisory ratio to 13:1	Green
3.1.4 Prepare for Defense Business Operations Fund (DBOF CHALLENGE)	N/A
3.2.1 Develop and implement an integrated planning, programming, budgeting, execution, and assessment management system.	Green
3.3.1 Improve work environment to enhance employees' well being, productivity	Green
4.1.1 Maintain overall customer satisfaction level greater than 4.0 (Right Reception under Mission item #5B)	Green
4.1.2 Field activities continue to solicit customer satisfaction information via Trailer Cards (Right Reception under Mission item #5C)	Green
4.2.1 Increase FEDCAS reimbursable earnings to \$17.5M by close of FY 97 (327,164 hours at rate of \$53.49)	Green
5.1.1 Establish, maintain and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS CHALLENGE) (Right Talent under Mission item #7)	Green
5.2.1 Increase percentage of eligible organizations with partnership agreements/councils	Green